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ABSTRACT

A task force report recommends ways to promote educational reform in higher education in New Mexico. Forty recommendations address the following areas: institutional missions, academic excellence and accountability, community colleges, student financial aid, affirmative action, economic development, capital outlay, and funding issues. Specific considerations include: statewide planning, outcomes of college programs, program review and approval, admission standards and access, remedial education, community college students and programs, community college governance and articulation issues, federal and state student financial aid, percentage of degrees earned by different ethnic groups, student and employee ethnicity, business and personnel training needs, enhancement of high demand degrees, enhancement of high quality research, industrial parks and centers for technical excellence, capital outlay funding sources, capital outlay responsibilities, formula funding issues, student tuition, enhancement for regional and research institutions, and impact of recommended tuition increase. Appended is a summary of testimony to the Governor's Task Force on Higher Education Reform. (SW)

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REPORT OF THE GOVERNOR'S TASK FORCE ON HIGHER EDUCATION REFORM

Excellence and Accountability

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HE 019 518

Toney Anaya
Governor

EXCELLENCE AND ACCOUNTABILITY

Report of the Governor's Task Force on Higher Education Reform

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May 1986

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SUMMARY OF RECOMMENDATIONS
GOVERNOR'S TASK FORCE ON HIGHER EDUCATION REFORM

SECTION ONE: MISSIONS

1. STATE MASTER PLAN. Legislation should be enacted requiring the Commission on Higher Education to submit to the Governor and the Legislature a five-year New Mexico Higher Education Master Plan with annual updates by January 1 of every year.

2. ANNUAL NEEDS ASSESSMENT. The Commission on Higher Education should conduct and report, as part of the New Mexico Higher Education Master Plan, an annual educational needs assessment for the state, and solicit information from communities, employers, government and individuals about higher education needs that are not being adequately met.

3. INSTITUTIONAL MASTER PLAN. Legislation should be enacted requiring that each institution develop a five-year Institutional Master Plan with annual updates. These plans will be submitted to the Commission on Higher Education by September 1. This plan must include statements of mission, goals and objectives.

4. MASTER PLAN REVIEW. The Commission on Higher Education should review each plan to determine how well identified statewide needs are being met and refer particular unmet needs to institutions with a request for a proposed plan to be submitted within a given time period outlining recommended solutions.

SECTION TWO: ACADEMIC EXCELLENCE AND ACCOUNTABILITY

5. EDUCATION COORDINATION COMMITTEE. The Legislature should create a committee on public school/higher education coordination to be made up of members of the State Board of Education, the Commission on Higher Education, local school boards and boards of regents to recommend ways for New Mexico's educational system to function in coordination to meet the state's educational needs from kindergarten through graduate school.

6. PROGRAM QUALITY ENHANCEMENT FUND. The Legislature should create a Program Quality Enhancement Fund, and appropriate $1 million or more per year to this fund to be administered by the Commission on Higher Education. Use of matching funds,

whenever possible, should be encouraged.

7. PROGRAM AND DEGREE REVIEW. The Commission on Higher Education should be given the statutory authority to review and approve for state funding all new and existing programs and degrees at all levels for all institutions. The review should be based upon policies to be developed in consultation with the higher education institutions that define what constitutes an acceptable, systemwide associate degree, baccalaureate degree, master's degree and doctoral degree.

8. GRADUATE PROGRAMS. Graduate programs, with the exception of education, should be legislatively eliminated at the regional institutions.

9. TEACHER TRAINING. The Commission on Higher Education, in consultation with the State Department of Education, should review teacher education programs at the regional and research institutions and at the graduate and undergraduate levels. A core "content curriculum" that has statewide agreement should be established for all teacher training.

10. ARTICULATION. The institutions and the Commission on Higher Education should define the conditions and requirements students must meet to insure the automatic intrastate transferability of credits and degrees.

11. ADMISSION STANDARDS. The Commission on Higher Education should study the consequences of raising admission standards. The study should include all affected institutions and the public schools.

12. REMEDIAL EDUCATION. The Commission on Higher Education should develop a uniform definition of remedial education. All academic and administrative responsibilities for remedial education should be transferred to the two-year institutions. After this transfer, the Commission on Higher Education should no longer recommend funding for remedial education credit hours at the regional and research institutions with the exception of Western New Mexico University.

SECTION THREE: COMMUNITY COLLEGES

13. COMMUNITY COLLEGE DISTRICTING. Legislation should be enacted in 1987 creating statewide community college districts and providing for all two-year postsecondary institutions to become comprehensive community colleges under a single statute. This legislation would include the three vocational and technical schools and Northern New Mexico Community College.

14. STATEWIDE FOUR-MILL LEVY. Legislation should be enacted requiring that a statewide referendum be called for a four-mill

levy for the support of the independent community colleges, beginning in 1988. The Commission on Higher Education should develop a process for equalizing expenditures across the system. Ten percent of excess millage revenues will be retained by the schools with the remainder being available for redistribution.

15. FREE TUITION. Tuition should be eliminated, by legislation, at all community colleges.

16. CHE DIVISION OF COMMUNITY COLLEGES. Legislation should be enacted creating a Division of Community Colleges within the Commission on Higher Education for the purpose of planning and coordinating two-year postsecondary education.

17. EL RITO. The board of regents of El Rito should develop a plan by 1987 outlining the proposed mission for that institution and submit it to the Commission on Higher Education and to the Legislature.

18. WNMU. Western New Mexico University should be recognized as the institution in southwestern New Mexico which will provide community college functions in addition to its traditional four-year college mission.

SECTION FOUR: STUDENT FINANCIAL AID

19. STUDENT GRANT PROGRAM. Beginning with academic 1987-88 a New Mexico Student Grant Program should be established by the Legislature under the authority of the Commission on Higher Education and should include both New Mexico resident undergraduate and graduate students. All SSIG overmatching funds should be appropriated to this fund.

20. FUNDING FOR STUDENT GRANT PROGRAM. Legislation should be introduced requiring that 10 percent of each year's tuition collections beginning with the 1987-88 academic year be earmarked for the New Mexico Student Grant Program.

21. ELIGIBILITY CRITERIA. By 1987 the New Mexico Commission on Higher Education should develop eligibility requirements that give the highest priority in awarding need-based state funded student assistance to the neediest New Mexico resident students.

22. WORK STUDY PROGRAM. Beginning in 1987 and thereafter the New Mexico Work Study Program should be legislatively expanded to include part-time students and private employers.

23. TALENTED STUDENTS PROGRAM. A Talented Students Grant Award Program should be established by legislation for students who are highly academically talented. Authority for the

program would reside with the New Mexico Commission on Higher Education. This program would provide tuition and fees as well as a stipend of $1000 per year to the top two ranking academic students from New Mexico public high schools who choose to attend a New Mexico public institution of higher education.

SECTION FIVE: AFFIRMATIVE ACTION

24. HIRING PLANS. Beginning with the submission of 1987-88 operating budgets, the Commission on Higher Education should require all New Mexico public institutions of higher education to submit an Affirmative Action Hiring Plan that outlines affirmative action goals. The Commission will also require yearly progress reports with supporting data. Responsibility for implementation of the plans will, however, rest with the governing boards of the institutions.

25. STUDENT RECRUITMENT/RETENTION. Institutions should pay special attention to minority and women student recruitment and retention efforts to ensure that the student populations of state campuses reflect the rich cultural diversity of New Mexico.

SECTION SIX: ECONOMIC DEVELOPMENT

26. CENTERS FOR TECHNICAL EXCELLENCE. The state's financial commitment to the Centers of Technical Excellence should continue and the Science and Technology Commission should continue its strong commitment to ensuring proper administration of the centers.

27. EMERGENCY TRAINING. The 1987 Legislature approve the creation of a $500,000 Emergency Economic Development Training Fund as part of the Development Training Act, to be used by two-year institutions to respond quickly to the immediate manpower needs of existing and new businesses. The Development Training Act should be amended to provide for involvement by the Commission on Higher Education in the administration of the program.

28. REGIONAL NETWORKS. Legislation should be introduced requiring each institution or groups of institutions to establish Regional Networks with the business and federal sectors. The
regional networks must develop a Manpower and Facilities Registry that identifies the available business, economic development and educational needs and resources of communities in each region. The Commission on Higher Education must produce a consolidated statewide registry.

29. "TWO PLUS TWO" PROGRAMS. The two-year institutions should work with the Department of Education and the school districts in establishing effective "two plus two" programs. In particular, the "Principles of Technology" Program is recommended for use by school districts.

30. TECHNOLOGY TRANSFER REVIEW. The Economic Development and Tourism Department, in coordination with the postsecondary institutions should develop a Technology Transfer Review Program to provide the necessary evaluation of research to ensure that quality research gets the use and recognition it deserves.

31. INDUSTRIAL PARKS. Institutions of higher education should be encouraged to develop industrial parks through public-private partnerships.

SECTION SEVEN: CAPITAL OUTLAY

32. MASTER PLAN. Institutions of higher education should develop a five-year master plan to comply with Section 6-4-1B NMSA 1978 to include an inventory of facilities, space utilization and maintenance requirements.

33. STANDARDS REVIEW. Present institutional and Commission on Higher Education standards should be reviewed to determine if they are rigorous enough to apply to new construction projects.

34. FUNDING OPTIONS REVIEW. All available funding options for capital outlay should be analyzed and reported by the Commission on Higher Education by 1988.

SECTION EIGHT: FUNDING ISSUES

35. FORMULA REVISIONS. Major formula revisions should be developed and implemented to incorporate final reform measures.

36. PROGRAMMING OF SAVINGS BY INSTITUTIONS. Legislation should be introduced allowing institutions two years to reprogram savings derived from elimination of unproductive or duplicative programs.

37. STANDARDIZING TUITION. Annual tuition should be set by legislation as a percentage of formula instruction and general as follows: research institutions, 20 percent; regional institutions, 18 percent; Community Colleges, no tuition. Ten percent of the total tuition amount collected must be earmarked for the New Mexico Student Grant Program.

38. ALLOCATION OF GENERAL FUND "SAVINGS". General Fund monies

identified by this report should be utilized for the following purposes:

a. To improve the quality of education at the regional and research institutions, by allowing a four percent increase of formula salary dollars per year for three years to be utilized for recruitment, retention and other salary enhancements to the base. In addition, increases at least equal to the regional average salary increase (six percent in the first year) should be provided annually as a matter of state policy.

b. To enhance the resources needed by the regional and research institutions to support instructional activities, by allowing a nine percent of formula "other costs" to be utilized for general program support items.

c. To improve the quality of education at all our institutions by requesting that the Commission on Higher Education distribute $4 million dollars for the purchase of library materials, computers, and for equipment maintenance.

39. COMMUNITY COLLEGE ADJUSTMENTS. The Commission on Higher Education should develop a process for funding remedial education at community colleges and for distributing $1,700,000 as the added cost of converting all two-year schools to community colleges.

40. ADDITIONAL CAPABILITY. $300,000 should be appropriated to the Commission on Higher Education to carry out the responsibilities and tasks outlined in this report's recommendations.

RECOMMENDATIONS REQUIRING LEGISLATION

1. Requires the Commission on Higher Education to develop a five-year New Mexico Higher Education Master Plan.

3. Requires each institution to develop a five-year Institutional Master Plan.

5. Establishes a Program Quality Enhancement Fund.

6. Grants authority to the Commission on Higher Education to approve all academic programs and degrees.

8. Eliminates graduate programs, except in education, at regional universities.

13. Creates statewide community college districts and converts all branches and vocational schools to community colleges.

14. Requires a referendum on a statewide four-mill-tax levy for support of community colleges.

15. Eliminates two-year college tuition.

16. Creates a Division of Community Colleges at the Commission on Higher Education.

19. Establishes a New Mexico Student Grant Program.

20. Earmarks 10 percent of tuition revenue to the New Mexico Student Grant Program.

23. Establishes a Talented Student Grant Award Program.

27. Establishes an Emergency Economic Development Training Fund.

28. Establishes Regional Networks for economic development.

36. Allows two-year save harmless on formula reductions caused by program elimination.

37. Indexes tuition as percentage of Instruction and General.

40. $300,000 to expand the capabilities of the Commission on Higher Education.

FOREWORD

The mandate of the Governor and the Task Force and the agreement with legislators was that this report would contain specific recommendations on suggested statutory and structural changes in the sections identified by this report.

The Task Force recognized that the time allowed and the complexity of the identified areas were extremely limiting. But they were confident that the expertise available and the exposure of the staff to at least three years of intensive discussion, testimony, literature, reports and other states' experiences had fully prepared them to meet the challenge.

Each section of this report was assigned to individuals with background and expertise on the subject, while the coordinator provided the overall perspective of the report. This approach accounts for the difference in style found as one reads from section to section.

I want to express my appreciation to the Task Force staff, who labored so intensively to assist the Task Force in arriving at the recommendations included in this report. Their dedication and caring were exemplary.

I must acknowledge the interest, concern, knowledge and time so generously contributed by each of the Task Force members in the development of this report. Special thanks is offered from the Task Force to all the expert witnesses who presented testimony in Albuquerque. Their willingness to share their views and give the opinions and recommendations of the organizations they represent provided wise guidance and counsel.

Many individuals gave freely of their time and advice to me and the Task Force staff. We owe many thanks to them and because there were so many I cannot list them individually here.

Two individuals, the special assistant to the Task Force and the administrative assistant, eased the pressures of time and the cumbersome process with their constant willingness to help and to perform a variety of support tasks.

Teodoro "Ted" Guambana
Coordinator

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INTRODUCTION

The vision is the future, the path leads to excellence and the commitment is to accountability. These were the principles the Task Force adhered to as it produced all recommendations included in this report.

National studies and reports which seriously question the value, quality and content of higher education programs and degrees are not scarce. Society in general and business in particular seem to be acutely concerned about those issues.

The age composition of the student population, its ethnic mixture and its educational demands from the system are changing radically. Missions, goals and objectives of institutions, on the other hand, have for the most part remained undefined or unchanged in this changing world.

New Mexico postsecondary institutions are participants in the system which is being questioned. The total degree of our weaknesses is not known, but the Task Force felt the urgency to begin the process of developing mechanisms that will set the course of positive reform for our system of postsecondary education.

The state's financial crisis has provided an added incentive and an added motivator to actively and aggressively look at our New Mexico postsecondary institutions with a critical eye, pursuing their improvement and definition. More than two thirds of the nation's states are engaged in similar tasks.

The Task Force identified eight areas of study. They are: Missions, Academic Excellence and Accountability, Community Colleges, Student Aid, Affirmative Action, Economic Development, Capital Outlay and Funding Issues.

The Task Force understands that higher education includes all adult learning, regardless of the subject, the reason the student has for learning, or the way the coursework is delivered. Faced with the learning needs of the entire adult population, the task of higher education in New Mexico, the Task Force believes, is indeed staggering. Consider just a few real individuals and their needs:

A 45-year-old factory worker whose job is now performed by a robot;

A 33-year-old recently divorced mother of three with no education or work experience after high school;

A 19-year-old honor student who desires to become a research chemist;

A 22-year-old immigrant who has drive and ambition, but is hampered by a poor command of English;

A 28 year-old accountant working at a large bank who wants to move into management;

A 72-year-old retired rancher who has always dreamed of painting like Peter Hurd.

Imagine now, if you will, designing an educational system to meet these specific needs and 60,000 more just as diverse and just as important to each person involved. Imagine where these people can be found -- in every city, town and isolated farm house in New Mexico.

Fortunately for us, New Mexico has a good, accessible system of public higher education. Generous legislatures, concerned governors and dedicated people throughout the state have worked hard over the decades to create this system.

They have carried out a state mandate to provide a wide variety of programs and degrees and to provide geographic, programmatic and financial access to our diverse and widespread population through a system of 23 two-year and four-year postsecondary schools. This system, though not born of a long range plan, has nonetheless met most of the needs of our young state.

Still, the Task Force realizes New Mexicans need and deserve the best quality and most efficient higher education programs the state can provide. To do that in the most efficient way the structure and mission of postsecondary education must be better defined. Program offerings need more focus. The viability of courses, programs and degrees must be reviewed to determine what New Mexico can afford.

George Weathersby of "Change" magazine wrote in 1982: "The increasing scarcity of resources experienced by most American higher education can provide some favorable opportunities for improvement in the quality, effectiveness and efficiency of our enterprise. Rarely are choices constrained by limited resources either easily made or likely to increase one's popularity, but real constraints make imperative actions that in another time and place would be unacceptable to internal or external constituencies."

For New Mexico higher education, the difficult choices are unavoidable. Everyone involved, from administrators to faculties to legislators, knows that. The debate will, of course, be played out in the political arena and will center on exactly what choices to make.

The Task Force -- public members and staff alike -- has endeavored to provide a plan with specific short-and long-range goals and objectives.

This report recommends a process for dealing with future demographics, mechanisms to address systemwide issues, a new community college districting arrangement, and it calls on the Legislature to consider several new and innovative financial and statutory changes.

It is all born from the firm belief that the Legislature, state government agencies and higher education institutions and our public schools need to work cooperatively on this important area of common interest to all New Mexicans.

The Legislature has the responsibility of safeguarding the welfare of our people, state government agencies have the authority and responsibility of coordinating the overall system and our education institutions must endeavor to provide our citizens with the best education they can provide.

This report will be delivered to the Legislative Interim Committee on Higher Education Reform for its consideration as well as made available to educators, the business community and the general public. We expect that the recommendations included in this report will be fully discussed and we hope that the final result will be EXCELLENCE with ACCOUNTABILITY in our higher education system.

SECTION ONE
MISSIONS

New Mexico's institutions of higher education are established by Article 12, Section 11 of the state Constitution. This section creates the six four-year institutions, two special schools and two of the state's two-year institutions. Article 12, Section 13 states, "the Legislature shall provide for the control and management of each of said institutions by a board of regents for each institution."

This constitutional provision is one of the most important features of New mexico's higher education system and, perhaps more than any other factor, has directed its development. Each of New Mexico's senior institutions is independent and autonomous in its affairs. The language used in the Constitution gives each board of regents very broad authority over its affairs.

The Constitution also provides that regents be appointed by the Governor, with the consent of the state Senate, for six-year terms. Once appointed, regents cannot be removed except by the state Supreme Court, and only for the reasons of incompetence, neglect of duty or malfeasance in office. This section also reinforces the high level of autonomy of New Mexico's institutions of higher education.

New Mexico's universities were originally intended to operate primarily on revenues derived from various state lands granted to each institution by the Constitution. As the need for state appropriations increased, and as the competition for these funds grew more fierce, the Legislature created the Board of Educational Finance to help assure the "adequate and equitable" funding of each of New Mexico's institutions.

In 1986, the name of the Board of Educational Finance was changed to the Commission on Higher Education to reflect emphasis on statewide planning and coordination of programs and institutions. As the importance of state funds for financing New Mexico's institutions of higher education has grown, so has the importance of the Commission on Higher Education in determining in large measure how those funds should be distributed among the institutions.

Because of the high level of institutional autonomy enjoyed by New Mexico's institutions of higher education, the mission of each institution has been determined primarily by each board of regents. New Mexico's system of higher education is distinguished by some differentiation of mission between the various institutions along with considerable overlap in programs and services.

Among the four-year institutions, only New Mexico Institute of Mining and Technology can be said to have a clearly defined, specialized mission. The other five institutions tend to be more comprehensive in nature, with a wide variety of programs in the liberal arts, sciences, education and other fields.

It should be noted that considerable differentiation of programs does exist in New Mexico. For example, programs in agriculture are concentrated at New Mexico State University. All professional schools have been located at the University of New Mexico. All institutions have particular programs with a strong reputation of quality which attract students from throughout the state and nation. However, the comprehensive nature of most of New Mexico's institutions means that there is considerable duplication of programs between the various institutions.

Much of the concern about New Mexico's system of higher education has been focused on the issue of institutional missions. The duplication of programs across institutions has been seen by some observers as causing a dilution of the quality of the institutions.

Because of this perception of New Mexico being spread too thin in its higher education system, many observers have suggested that the definition of a clear, concise and unduplicated mission for each institution would be a way to effectively use resources and allow for the development of strong quality programs throughout the state.

According to this view, each mission should be expressed in a clear mission statement which communicates the mission effectively to the public. The problem with this view is that New Mexico's institutions of higher education do in fact already have written mission statements. These mission statements are, however, very broadly written and tend to embrace a wide variety of possible functions rather than specifying a more focused mission.

The reason for New Mexico's institutions having very broadly defined missions is not difficult to determine. The high degree of institutional autonomy granted to New Mexico's universities has meant that each institution has tended to develop with little consideration of the development of other institutions in the state. It is also likely that state funding strategies have promoted duplication of effort, or at least have not actively prevented it.

The problem that New Mexico faces is one of perception. The state has attempted for many years to fit an existing structure of institutions to various pressing needs for higher education. As New Mexico has grown, and as the economic base of the state has changed, New Mexico's institutions have

individually attempted to fit themselves to this changing state as best they can, with little consideration for what efforts other institutions may be undertaking to meet new needs of the state.

Unfortunately, it is difficult for one institution with a necessarily limited view of the total needs of the state, and acting in isolation, to effectively meet all of the state's needs. The situation is similar to the blind men attempting to describe the elephant. With so many institutions acting essentially in isolation, it is inevitable that certain needs will not be met and some will be duplicated.

What is needed in New Mexico is a systematic approach to determine the state's needs for higher education services. For example, just looking at the state's economic development needs, this survey should include, but not be limited to, educational
needs of industry; impact of telecommunications technology; retraining and skills upgrading; and "traditional" academic education. A similar analysis should be performed for other needs to be met by higher education.

The determination of state needs for higher education should be done with little or no consideration of existing institutions and programs. New Mexico's problem in higher education has always been its attempt to fit its needs to existing structures rather than the other way around. Once the need has been firmly established, the role of New Mexico's specific institutions in meeting this need can be established.

The balance of this report is, in large measure, an attempt to define at least a portion of this need. However, the determination of need cannot be seen as a one-time problem. As the state changes, so also will the state's needs for higher education. As these needs change, so also should the institutions.

The key word in meeting New Mexico's needs for higher education, and therefore in institutional missions, should be "flexibility." New Mexico is changing very rapidly as a state. It is wrong to assume that an existing structure, or an existing mix of programs, can effectively meet state needs indefinitely into the future. Missions should, therefore, be defined in such a way that they retain an element of flexibility for future growth and development.

Rather than defining that this or that particular program should be placed at this or that particular institution, the mission statements of the institutions should define the populations to be served by the institutions and the broad needs to be met by each particular institution.

How can such a set of missions for a state system of institutions be developed when each institution is operating in isolation? The solution to this dilemma is not an easy one, but a solution is possible. The key lies in structuring the state system to allow each institution to develop to meet particular portions of the statewide need. In order to accomplish this the following specific recommendations are made:

Recommendations

1. STATE MASTER PLAN. Legislation should be enacted requiring the Commission on Higher Education to submit to the Governor and the Legislature a five-year New Mexico Higher Education Master Plan with annual updates by January 1 of every year.

2. ANNUAL NEEDS ASSESSMENT. The Commission on Higher Education should conduct and report, as part of the New Mexico Higher Education Master Plan, an annual educational needs assessment for the state, and solicit information from communities, employers, government and individuals about higher education needs that are not being adequately met.

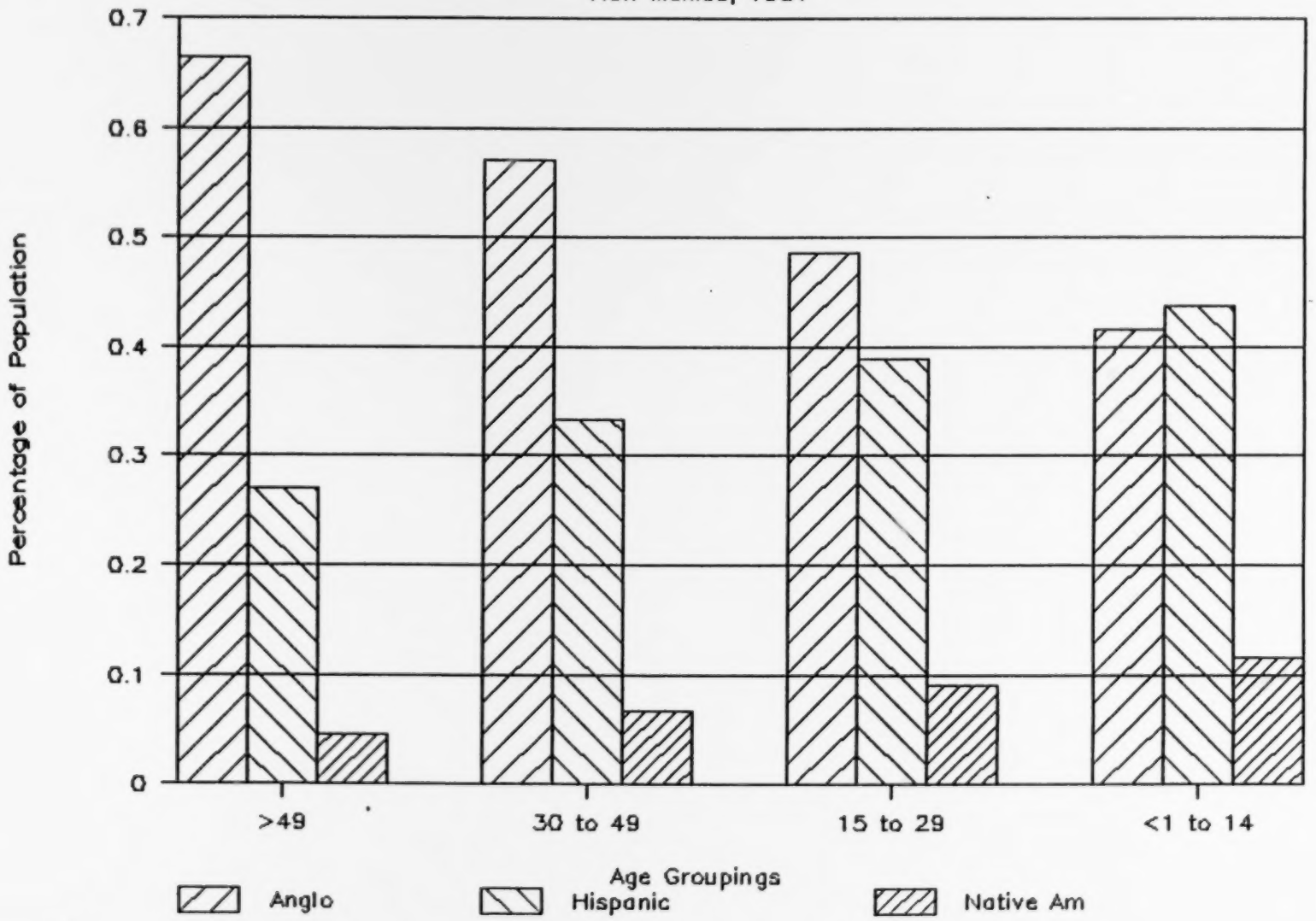
3. INSTITUTIONAL MASTER PLAN. Legislation should be enacted requiring that each institution develop a five-year Institutional Master Plan with annual updates. These plans will be submitted to the Commission on Higher Education by September 1. This plan must include statements of mission, goals and objectives.

4. MASTER PLAN REVIEW. The Commission on Higher Education should review each plan to determine how well identified statewide needs are being met and refer particular unmet needs to institutions with a request for a proposed plan to be submitted within a given time period outlining recommended solutions.

TABLE I

Population Growth Patterns

New Mexico, 1984



SECTION TWO
ACADEMIC EXCELLENCE AND ACCOUNTABILITY

The current scrutiny of New Mexico's higher education institutions is part of a larger reform movement for education (from kindergarten to graduate school) which is occurring nationally. Changes in New Mexico's political and financial climates and mounting pressures for accountability have also contributed to this new interest in reform. Across the state, concerns are being raised about enrollment-driven funding, the lack of standards or processes for evaluating how well colleges are performing, and the role of state government in directing the operations of its colleges.

New Mexico is growing, particularly in the Albuquerque, Las Cruces and Santa Fe areas. The state's economy includes more manufacturing, particularly in technology-related fields, while the traditional fields -- extractive industries and agriculture -- remain important as well. The growth of telecommunications and computing power is having a tremendous impact on institutions, and, by extension, an impact on the general state higher education system. The state must provide for new programs and changes in programs. The institutions must be allowed to continue to serve the state in new ways as the state changes.

The recent dramatic reduction in revenues to the state's general fund as a result of falling crude oil and natural gas prices is having an impact on the state's higher education system as well. Clearly, budget cuts and increasing costs are threatening the quality of the state's postsecondary institutions.

The higher education system itself must come up with solutions to problems, ways of responding to the state's needs, and ways of developing the programs that are necessary to meet the changing economic and demographic environment of the state. This is a positive and in some ways a negative development. It is positive in that there will be more incentives for management. On the other hand, it is less likely the state will fund the new needs.

While educational planning has been identified as an important management practice in New Mexico higher education, it is now essential that the state plan in order to be in a better position to direct and control its future. Managing the politics of reallocation and renewal during economic adversity will be one of the state's most important challenges.

There are, however, positive signs in the development of the state's educational program directions. These include the

spirit of cooperation that exists among the three research universities toward not only maximizing the resources available to the institutions, but also improving themselves and the state's system at large. There is also substantial cooperation between these institutions and the non-doctoral institutions and between the non-doctoral institutions in such areas as cooperative programs.

The community college system, which has reached its period of maximum growth and appears to have stabilized in its enrollment, is at a crucial junction. Ways must be found to use this system to the improvement of the total state system.

A primary state-level goal is to improve state and local accountability for the effectiveness and efficiency of higher education institutions, with particular focus on strengthening systemwide accountability functions administered by the Commission on Higher Education. Institutions of higher education are increasingly being asked by state and local officials, as well as by the general public, to demonstrate that they are delivering their mission effectively and efficiently. Establishing state-level accountability has been problematic, however, because the missions are not clear, governance responsibilities are confused and the state has not generally accepted the responsibility for funding the accountability mechanisms it imposes.

The purpose of this section is to address the specific issues of program excellence and accountability. How can postsecondary institutions improve the programs and services they offer? How can state and local officials, as well as the general public, be assured that the higher education institutions are meeting their missions effectively and efficiently?

STATEWIDE PLANNING

Excellence in the higher education institutions can best be promoted through the joint effort of the executive and legislative branches and higher education institutions. Within the system, the state must be committed to collaborate continuously with higher education institutions to maintain and promote excellence.

The state must also recognize that the governing boards, together with their faculties, administrators and support personnel, have the greatest responsibilities for achieving excellence; and the already extensive activities of individual institutions should be acknowledged and encouraged as appropriate. In addition, the state has a responsibility to promote excellence at the systemwide level by working in close

coordination with institutions to lead and direct efforts to address system and state priorities for excellence.

New Mexico needs new plans adapted to the requirements of the future. The quality of its educational process relates to the appropriateness of its objectives, the effectiveness of the use of resources in pursuing those objectives and the degree to which its objectives are achieved. Goals and objectives must be specified in relation to the kind and level of education and to the programs and institutions in which that education takes place.

Students, faculty, resources, location and results are all factors that influence the quality of education. However, the key to bringing these elements together is how well goals and objectives are defined and how appropriate they are to the needs of individuals and society. Any process that engages institutions or programs in analytic self-study and planning to achieve appropriate goals contributes to sustaining and enhancing educational quality.

The New Mexico higher education system includes institutions of varying types that are authorized either under the New Mexico Constitution or separate legislation. The control and management of each of the institutions rests in a board of regents, and, prior to the creation of a statewide coordinating board in 1951, each institution set its own priorities without taking into account either the actions of other institutions or overall state needs.

The Legislature needed technical assistance in order to make decisions on other than political bases. However, since a relatively large amount of state support is provided to higher education institutions, the Legislature did create the Commission on Higher Education (originally named the Board of Educational Finance) to make recommendations to the Legislature in response to institutional funding requests and to coordinate statewide planning.

The Commission on Higher Education has adopted "A Statewide Plan for Postsecondary Education in New Mexico: 1983-1987." While many of its goals have been accomplished, many of its outstanding recommendations go unimplemented.

Recommendation

5. EDUCATION COORDINATION COMMITTEE. The Legislature should create a committee on public school/higher education coordination to be made up of members of the State Board of Education, the Commission on Higher Education, local school boards and boards of regents to recommend ways for New Mexico's educational system to function in coordination to meet the state's educational needs from kindergarten through graduate school.

HIGHER EDUCATION PROGRAM OUTCOMES

Excellence in programs, service and employees is a goal that must be actively pursued even while the higher education institutions' missions and governance systems are under review. Neither the nation nor the state can afford to wait to improve the quality of its schools and colleges. The focus on the quality of undergraduate education in the United States has recently intensified, as evidenced by the release of such reports as "Integrity in the College Curriculum" (Association of American Colleges), "Involvement in Learning: Realizing the Potential of American Higher Education" (The Study Group) and "To Reclaim a Legacy: Report on Humanities in Education" (William J. Bennett).

These reports find that undergraduate degrees have become devalued, that the curriculum is disjointed and fragmented, that colleges do not clearly articulate what they want their graduates to learn, that there has been a dramatic decline in humanities offerings and a sharp increase in occupational and technical offerings, that those who teach at the college level receive little or no training, and that faculty members lack leadership in the area of curricular reform. In New Mexico, business leaders and citizens have indicated that the improvement of undergraduate instruction should be a primary goal of higher education institutions.

There is a great need among New Mexico institutions of higher education for the assessment of effectiveness in achieving goals through consideration of results and outcomes. There is a need for a statewide program review process that recognizes only those programs that meet high standards developed and agreed upon by the Commission on Higher Education, the postsecondary education institutions and a peer review group. The state needs to build upon and strengthen existing self-evaluation practices among the higher education institutions as the system faces unprecedented demographic, social, economic and political challenges.

Recommendation

6. PROGRAM QUALITY ENHANCEMENT FUND. The Legislature should create a Program Quality Enhancement Fund, and appropriate $1 million or more per year to this fund to be administered by the Commission on Higher Education. Use of matching funds, whenever possible, should be encouraged.

PROGRAM REVIEW AND APPROVAL

Since higher education programs are expensive, the Commission on Higher Education examines proposals for new

graduate programs to see if they are really needed and are of good quality. The Commission has also been given responsibility for approving Albuquerque Technical-Vocational Institute associate degree programs. Other new programs, however, do not require Commission approval. Often the Commission does not know of the existence of a program until it is asked to fund it as much as three years after the program was initiated at an institution. This lack of information makes fiscal and policy planning on a long-term and statewide basis nearly impossible.

Procedures and mechanisms for regular, careful and complete program and degree review to eliminate and prevent unnecessary duplication need to be delegated to the Commission on Higher Education. This process needs to work in cooperation with the institutions. Program and degree reviews support internal, institutional decisions related to planning, resource allocation, program improvement and accreditation requirements. For this reason, primary responsibility for initiating and conducting program and degree reviews rests with the institutions.

The first review of academic programs in New Mexico four-year institutions was held by the Academic Council on Higher Education in 1977-1978; the second review was held in 1983-1984. As a result of these reviews based on quantitative criteria, programs were flagged for further institutional study, and these were later justified, terminated or strengthened. There is no statewide mechanism to identify programs that exhibit discrepancies from established criteria to develop recommendations for program and degree improvement, consolidation, termination or continuation; or to respond to issues of systemwide or state-level policy concern.

In updating and streamlining instructional and support services, New Mexico higher education institutions need to consolidate where possible. In these times of increasingly scarce resources, it is not possible for New Mexico higher education institutions to offer a comprehensive array of high-quality programs. College, university and other education leaders need to engage in collaborative efforts to develop clear institutional mission and goal priorities. Each institution should offer only those programs for which it is best suited, i.e., for which it has the appropriate human, fiscal and physical resources needed to achieve high-quality education.

Recommendations

7. PROGRAM AND DEGREE REVIEW. The Commission on Higher Education should be given the <u>statutory authority</u> to review and approve for state funding all new and existing programs and degrees at all levels for all institutions. The review should

be based upon policies to be developed in consultation with the higher education institutions that define what constitutes an acceptable, systemwide associate degree, baccalaureate degree, master's degree and doctoral degree.

8. GRADUATE PROGRAMS. Graduate programs, with the exception of education, should be legislatively eliminated at the regional institutions.

9. TEACHER TRAINING. The Commission on Higher Education, in consultation with the State Department of Education, should review teacher education programs at the regional and research institutions and at the graduate and undergraduate levels. A core "content curriculum" that has statewide agreement should be established for all teacher training.

ARTICULATION

Great tension has developed between the open access mission and the demands for quality, and the state has not resolved this tension. Little progress has been made in recent years. Articulation agreements between two-year and four-year institutions have not been accomplished. A solution that some states have adopted is to legislatively mandate that accredited courses taken at one institution be accepted for transfer at any other institution in the state. This alternative is not recommended.

Courses within accredited programs should be automatically transferable around the state. Bulletins of each institution should also clearly stipulate to students the courses that are not transferable from one institution to another.

Recommendation

10. ARTICULATION. The institutions and the Commission on Higher Education should define the conditions and requirements students must meet to insure the automatic intrastate transferability of credits and degrees.

ADMISSION STANDARDS AND ACCESS

Policymakers have become increasingly concerned about the lowering of standards and the disintegration of the curriculum which seems to have accompanied open admissions. Concerns are raised about the decline in student involvement, the loss of rigor in course offerings, the general loss of status as a collegiate institution and a general decline in student performance expectations. These cause some to conclude that existing admissions standards should be studied.

Access to postsecondary education can only be meaningful in the context of quality programs and commitment to student success from our entire educational system. Students must be challenged by clear and high expectations of performance, be served by quality offerings and be held accountable for demonstrating the capacity and motivation to benefit from instruction. Under these conditions, students can undertake instruction with the "right to succeed," thus obligating both our public schools and postsecondary institutions to use their full resources to help realize the maximum potential of all students.

Recommendation

11. ADMISSION STANDARDS. The Commission on Higher Education should study the consequences of raising admission standards. The study should include all affected institutions and the public schools.

REMEDIAL EDUCATION

The existence of remedial education in our four-year institutions is frequently said to be the result of a lack of coordination between expected college skills and high school curriculum, the large numbers of returning nontraditional students and the socio-economic status of the current student population.

All research and regional institutions are engaged in providing remedial education for the purpose of closing the gap between expected knowledge and skill levels and a student's actual academic achievement level. No uniform definition of remedial education is applied within the system and there are, therefore, multiple standards.

Questions have been appropriately raised about the propriety of maintaining the academic and administrative responsibility for remedial education at the research and regional institutions. Convincing arguments have been presented about shifting the responsibility for remedial education to the state's community colleges.

Recommendation

12. REMEDIAL EDUCATION. The Commission on Higher Education should develop a uniform definition of remedial education. All academic and administrative responsibilities for remedial education should be transferred to the two-year institutions. After this transfer, the Commission on Higher Education should no longer recommend funding for remedial education credit hours at the regional and research institutions with the exception of Western New Mexico University.

TABLE I

Graduate FTE Enrollment

Research and Regional Institutions

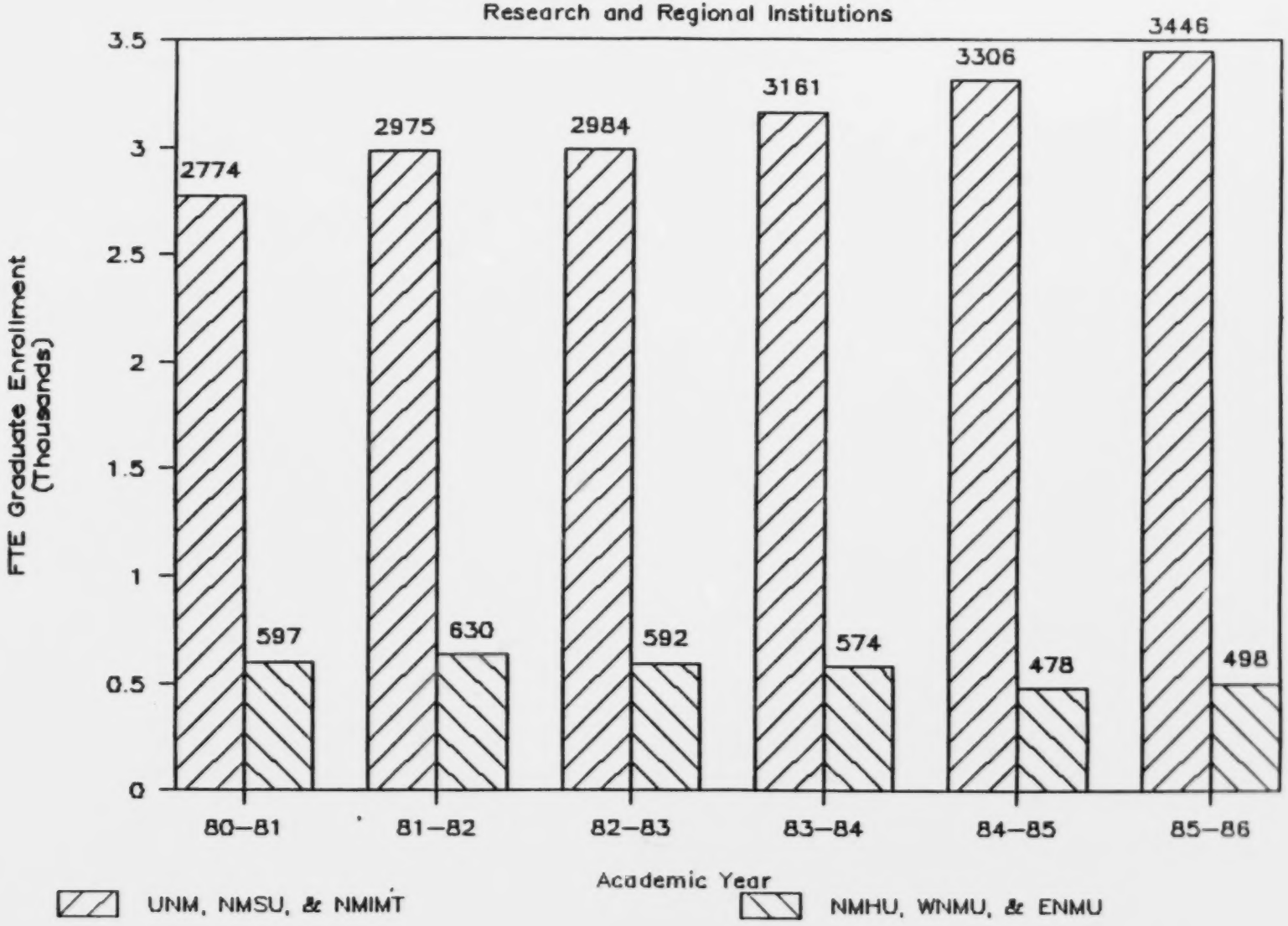


TABLE IA

Graduate Level Student Credit Hour Production
Regional Institutions 1980-81 to 1984-85

	SCH 1980-81	SCH 1984-85	Change	% Change
New Mexico Highlands University:				
Biology	172	164	-8	-4.65%
Business	806	547	-259	-32.13%
Education	3211	1912	-1299	-40.45%
Fine Arts	105	88	-17	-16.19%
Foreign Languages	290	145	-145	-50.00%
Health Science	0	955	955	100.00%
Letters	67	69	2	2.99%
Mathematics	61	60	-1	-1.64%
Physical Sciences	91	64	-27	-29.67%
Social Sciences	1680	959	-721	-42.92%
Total	6483	4963	-1520	-23.45%
Eastern New Mexico University:				
Biology	212	119	-93	-43.87%
Business	1418	751	-667	-47.04%
Education	2101	1545	-556	-26.46%
Fine Arts	195	265	70	35.90%
Foreign Languages	9	4	-5	-55.56%
Health Science	90	176	86	95.56%
Letters	320	282	-38	-11.88%
Mathematics	338	312	-26	-7.69%
Physical Sciences	112	61	-51	-45.54%
Social Sciences	1307	1032	-275	-21.04%
Total	6102	4547	-1555	-25.48%
Western New Mexico University:				
Business	349	279	-70	-20.06%
Education	940	1071	131	13.94%
Fine Arts	8	0	-8	-100.00%
Letters	92	159	67	72.83%
Mathematics	37	266	229	618.92%
Physical Sciences	77	4	-73	-94.81%
Social Sciences	247	189	-58	-23.48%
Total	1750	1968	218	12.46%

TABLE IB
New Mexico Universities
Academic Degree Programs
1984-85

Title	Old HEGIS	New HEGIS	UNM	NMSU	ENMU	NMHU	WNMU	NMIMT
MASTERS								
Agriculture				X				
Agronomy				X				
Animal Science				X				
Agricultural Economics				X				
Range Science				X				
Agricultural and Extension Education				X				
Wildlife Science				X				
Horticulture				X				
Architecture			X					
Community and Regional Planning			X					
Latin American Studies			X					
American Studies			X			X		
Biology			X	X	X	X		
General Management			X					
Accounting			X	X	X			

TABLE IB

New Mexico Universities - Masters -- Page 2

Title	Old HEGIS	New HEGIS	UNM	NMSU	ENMU	NMHU	WNMU	NMIMT
Tax Accounting			X					
Human Resources Mgmt			X					
Int'l Management			X					
Int'l Mgmt in Latin America			X					
Policy and Planning			X					
Business Administration				X	X	X	X	
Management Information Sys			X					
Finance/Financial Mgmt			X		X			
Marketing			X		X			
Management			X					
Management Science			X					
Communications, General					X			
Computer Science			X	X	X			X
Education				X	X			
Elementary Education			X			X		
Secondary Education			X			X		
Special Education			X		X	X		

TABLE IB

New Mexico Universities - Masters -- Page 3

Title	Old HEGIS	New HEGIS	UNM	NMSU	ENMU	NMHU	WNMU	NMIMT
Educational Foundations			X					
Counseling/Guidance			X	X	X	X	X	
Educational Administration/Management			X	X		X	X	
Curriculum & Instruction				X				
Master of Arts in Teaching							X	
Art Education			X					
Music Education			X		X			
Science Education/ Teaching								X
Physical Education			X		X	X		
Health Education			X					
Business Education					X	X		
Industrial Vocational Technical Education			X			X		
Bilingual Elementary Ed						X		
Family Studies Education			X					
Family Studies/Nutrition/ Dietetics			X					

TABLE IB

New Mexico Universities - Masters -- Page 4

Title	Old HEGIS	New HEGIS	UNM	NMSU	ENMU	NMHU	WNMU	NMIMT
Recreation			X					
Chemical Engineering			X	X				
Petroleum Engineering								X
Civil Engineering			X	X				
Electrical Engineering			X	X				
Mechanical Engineering			X	X				
Industrial Engineering				X				
Mining Engineering								X
Nuclear Engineering			X					
Art/Art Studio			X	X		X		
Art History			X					
Music			X	X	X	X		
Theatre			X					
French			X					
German			X					
Spanish			X	X		X		
Portuguese			X					
Nursing			X					

TABLE IB

New Mexico Universities - Masters -- Page 5

Title	Old HEGIS	New HEGIS	UNM	NMSU	ENMU	NMHU	WNMU	NMIMT
Speech Pathology/ Comm Dis			X		X			
Home Economics				X				
English			X	X	X	X		
Comparative Literature			X					
Language Sciences			X					
Speech/Speech Comm			X	X				
Philosophy			X					
Religious Studies					X			
Mathematics			X	X	X	X		X
Physics			X	X				X
Chemistry			X	X	X	X		X
Astronomy				X				
Geology			X	X				X
Geochemistry								X
Geophysics								X
Metallurgy								X
Hydrology								X
Psychology			X	X	X	X		

TABLE IB

New Mexico Universities - Masters -- Page 6

Title	Old HEGIS	New HEGIS	UNM	NMSU	ENMU	NMHU	WNMU	NMIMT
Public Administration			X	X				
Social Work						X		
Social Science						X		
Anthropology			X	X	X			
Economics			X	X				
Geography			X					
History			X	X		X		
Political Science/ Government			X	X	X			
Sociology			X	X				
Natural Science					X			
Interdisciplinary				X				
Medical Sciences			X					
Pharmaceutical Science			X					

TABLE IB
New Mexico Universities
Academic Degree Programs
1984-85

Title	Old HEGIS	New HEGIS	UNM	NMSU	ENMU	NMHU	WNMU	NMIMT
EDUCATION SPECIALIST								
Education			X					
Counseling & Guidance				X				
Educational Admin/ Management & Develop				X		X		
Curriculum & Instruction				X				
Reading				X				

SECTION THREE
COMMUNITY COLLEGES

New Mexico's commitment to postsecondary education at the two-year level is evidenced by the evolution of 17 state supported schools. Northern New Mexico Community College and the New Mexico Military Institute, established in the early 1900s, were the first two-year postsecondary schools in the state.

Later, as communities began to establish educational centers in the 1950s, statutes were enacted to accommodate local initiatives. With passage of the Branch Community College Act, educational opportunities became available to New Mexico residents who otherwise could not relocate to cities with senior educational institutions.

As community educational needs differed, legislation was introduced to respond to the needs. The result is that New Mexico has five statutes that provide options to local communities which want to provide postsecondary education through the first two years of college.

New Mexico Military Institute was established in 1905 as a junior college. Four years later, in 1909, the Spanish American Normal School (Northern New Mexico Community College) was established at El Rito.

The founding of these institutions was incorporated in Article XII of the State Constitution, making the two schools unique among the two-year institutions because they are governed by a board of regents appointed by the Governor. They also receive income from the Land and Permanent Fund.

Establishment of an instructional center in Carlsbad in 1950 was the beginning of the state's community college movement. This was later formalized in the passage of the Branch Community College Act in 1957. Soon thereafter, the Gallup extension center and the Roswell and Alamogordo branches were established. As other communities realized the benefits of two-year institutions, additional branches were created.

Currently there are nine institutions operating under the Branch Community College Act. Roswell and Clovis are affiliated with Eastern New Mexico University; Alamogordo, Carlsbad, Dona Ana and Grants with New Mexico State University; and Gallup, Los Alamos and Valencia with the University of New Mexico.

In 1963, the Junior College Act allowed local communities to organize independent community colleges. In 1985 this act was revised and became the Community College Act. Three institutions, New Mexico Junior College at Hobbs, San Juan College at Farmington and Santa Fe Community College, operate as independent community colleges under this statute.

Also during the early 1960s, the Technical Vocational Institute Act was passed and the Albuquerque Technical-Vocational Institute was established in 1964. As a technical-vocational institute, Albuquerque T-VI did not award academic degrees. But in 1986 the Legislature authorized an expansion of mission for T-VI and allowed the school to grant associate degrees in addition to its broad scope of technical-vocational course offerings.

Two institutions, the Luna Vocational-Technical Institute and the Tucumcari Area Vocational School, operate under the Area Vocational School Act of 1967. These two institutions provide only technical-vocational education courses.

The development of New Mexico's two-year institutions follows a pattern found throughout the United States. Blocker, Plummer and Richardson (1965) comment that community colleges were a direct outgrowth of customs, tradition and legislation and the institutions' "confused image...related to state and regional differences and legislation and to the historical development of the institution."

GOVERNANCE

Despite the variation of legal statutes, analysis of the missions of 14 of New mexico's 17 two-year schools indicates they are functioning in roles attributed to community colleges. (New Mexico Military, Luna and Tucumcari have different missions).

The individual missions of these 14 schools are similar in that they all strive to provide educational opportunities in four areas: academic transfer preparation, vocational-technical education, personal development-community services programs and developmental-remedial education. All of these institutions award associate degrees in academic disciplines and certificates or diplomas in vocational-technical areas. Consequently, there is no apparent rationale for the continuation of separate statutes which govern their operation.

Because the legal authority under which these institutions operate is different, the governance structure varies. Northern New Mexico Community College and New Mexico Military

Institute, as previously mentioned, are governed by boards of regents. Branch colleges are governed by the boards of regents of parent institutions. Albuquerque T-VI is governed by a locally elected board and the vocational schools in Tucumcari and Luna are governed by representatives of school boards from participating school districts. The independent community colleges are governed by elected boards.

Similarly, the sources of revenue and level of local funding also vary according to statute.

Because a majority of two-year institutions provide the same function within their communities, a single statute could be developed to provide a unitary system of financing and governance.

Development of a comprehensive community college statute must take into account the sociological, economical and philosophical foundations upon which the community college is based. One is the American belief developed in the 19th century that says an easily accessible, publicly supported school is the right of every citizen. This, combined with the idea that schooling provides an avenue of upward mobility, resulted in the creation of institutions that provided grades 13 and 14.

Early in the development of community colleges it was accepted that proximity was a significant factor in providing accessibility. In the early 1930s almost 70 percent of the course offerings were in academic disciplines. The balance changed in favor of occupational, vocational and technical studies during the early 1970s.

As a result, college attendance became important as a way of obtaining training, certification and jobs. This change in emphasis at the two-year level was accompanied by a decline in basic education at the secondary level and an increase in the percentage of individuals entering college. A need for community colleges to offer courses in remedial (developmental) education was created. As community colleges adhere to open admissions policies and four-year institutions raise admission standards, the importance of this function will be increased.

In addition to the formal services provided by community colleges, they serve another purpose. Often, particularly in rural areas, community colleges become a cultural center and provide cultural and recreational activities for the community.

STUDENTS AND PROGRAMS

Recent legislative proposals require that New Mexico examine the delivery of educational programs at the two-year level. House Joint Memorial 2 of 1986 requested a phasing out

of remedial education from the four-year schools and placement of remedial programs in the two-year schools. Implementation of this recommendation would result in an enhancement of the current activities of community colleges. Traditionally, community colleges have provided remedial education as part of their mission and they are equipped to assume this responsibility.

House Joint Memorial 2 also called for increasing admission standards at four-year institutions and establishment of a core curriculum for college-bound students. That would encourage community colleges to focus on the goal of providing academic transfer programs. The result could be a shift in enrollment patterns that would be beneficial.

In New Mexico the proportion of students in four- and two-year colleges is 85 percent to 15 percent. Nationally, the ratio is 60 percent to 40 percent. This enrollment pattern is significant in light of state appropriations and the educational missions of two- and four-year schools.

The current state appropriation per full-time equivalent student at the two-year level is $3,777 compared to $5,165 for a full-time equivalent student at the four-year schools. Community colleges place an emphasis on teaching rather than research. The emphasis is on imparting knowledge rather than creating it.

Community colleges are prepared to provide individualized attention to students, particularly in the area of remedial education. Increasingly, a community college education is considered sufficient for entry into the job market. A recent report on vocational education said approximately 80 percent of job openings require either a two-year degree or less for employment.

Community colleges in New Mexico are doing a commendable service. They provide accessibility to the college-going population. In fact, most New Mexicans live within driving distance of a community college. An exception to this is the residents of southwestern New Mexico.

Western New Mexico University has provided some associate degree programs in the southwestern section and should be encouraged to expand its technical-vocational offerings to fulfill a community college mission in that part of the state.

Flexible scheduling and new program development allow community colleges to serve people who might not otherwise pursue higher education. Community college currricula reflect a partnership with business and industry and provide students with training opportunities that result in economic benefits to the community and the student.

ARTICULATION

To maintain the continued excellence of community colleges, a high degree of local citizen input is necessary for initiation and elimination of educational programs that are responsive to the community. As local control increases, the need for a statewide mechanism for educational coordination and planning will also increase. A need for statewide planning and coordination is particularly evident in areas such as course articulation, program development and quality control.

The issue of articulation and program development is well illustrated by looking at branch colleges. New programs and course offerings must be routed through the approval process of parent institutions and it is not uncommon for course approvals to extend over a period of six to 12 months.

A benefit of this lengthy process is that the course is usually transferable from a branch to the parent institution. However, there is no guarantee that the course is transferable to another senior institution, much less another community college. Additionally, the independent community colleges are currently required to articulate individually with each of the senior institutions.

A solution is to have course articulation negotiated among two-year institutions and among four-year schools, then between the two-year group and the four-year group. In a unitary community college statute, this problem could be resolved by requiring articulation between two-year institutions.

An analysis of institutional funding also reveals the proportion of state appropriation to local revenue is smaller for independent community colleges than it is for branch colleges. Historically, increased local accountability has resulted in a greater willingness of local residents to provide financial support for their two-year postsecondary institutions.

Three state agencies have responsibility for coordination and oversight of two-year postsecondary institutions.

The Commission on Higher Education is responsible for all the postsecondary schools that award associate degrees. These include all the branch colleges, Northern, New Mexico Military and the academic transfer programs of Albuquerque T-VI. The Commission has primary responsibility for the planning of postsecondary education in the state and therefore has authority to approve new branch colleges, community colleges and off campus instruction centers. The Commission also approves the institutional operating budgets of all of these institutions except T-VI.

The State Department of Education has program authority over Albuquerque T-VI, Luna and Tucumcari. Two-year colleges which offer postsecondary technical-vocational instruction and

are designated as area vocational schools receive funds and supervision from the State Department of Education. Statutes designate the State Department of Education as the agency responsible for vocational education, but the Office of Education exercises budgetary authority over the technical-vocational institutes.

COMMUNITY COLLEGE ACCOUNTABILITY

The fact that the mission of community colleges evolved rapidly and is neither clear nor well understood has had major implications for state-level accountability. Traditional measures of accountability applied to four-year institutions do not readily apply, yet substitute measures have not been developed.

For instance, because excellence in higher education has traditionally been determined by the percentage of entering students who complete degrees, community colleges have been criticized for having large numbers of "noncompleters." This traditional measure is inappropriate for community colleges because many students enroll for a specific course or to learn a specific skill. Consequently, the extent to which individual students meet their goals, and not the extent to which students graduate or transfer, should be the measure of excellence for community colleges.

Also, because community colleges are community based institutions, their success cannot be evaluated on universal or common standards alone, but also must be assessed on how well each college achieves its stated mission and goals.

Until recently, little state-level attention has been paid to methods of describing what community colleges do and how successfully they are doing it. The current statewide information system is in its infancy in accurately portraying the curriculum of community colleges. Statewide data is not regularly collected on a student's prior academic status and educational goal upon entry; nor is outcome data collected upon or after exit.

Policymakers become uneasy about the mission of community colleges when they cannot be provided with answers about the programs community colleges are offering, the students community colleges are serving and outcomes of community college education. Improvements in accountability are needed.

Recommendations

13. COMMUNITY COLLEGE DISTRICTING. Legislation should be enacted in 1987 creating statewide community college districts

and providing for all two-year postsecondary institutions to become comprehensive community colleges under a single statute. This legislation would include the three vocational and technical schools and Northern New Mexico Community College.

14. STATEWIDE FOUR-MILL LEVY. Legislation should be enacted requiring that a statewide referendum be called for a four-mill levy for the support of the independent community colleges, beginning in 1988. The Commission on Higher Education should develop a process for equalizing expenditures across the system. Ten percent of excess millage revenues will be retained by the schools with the remainder being available for redistribution.

15. FREE TUITION. Tuition should be eliminated, by legislation, at all community colleges.

16. CHE DIVISION OF COMMUNITY COLLEGES. Legislation should be enacted creating a Division of Community Colleges within the Commission on Higher Education for the purpose of planning and coordinating two-year postsecondary education.

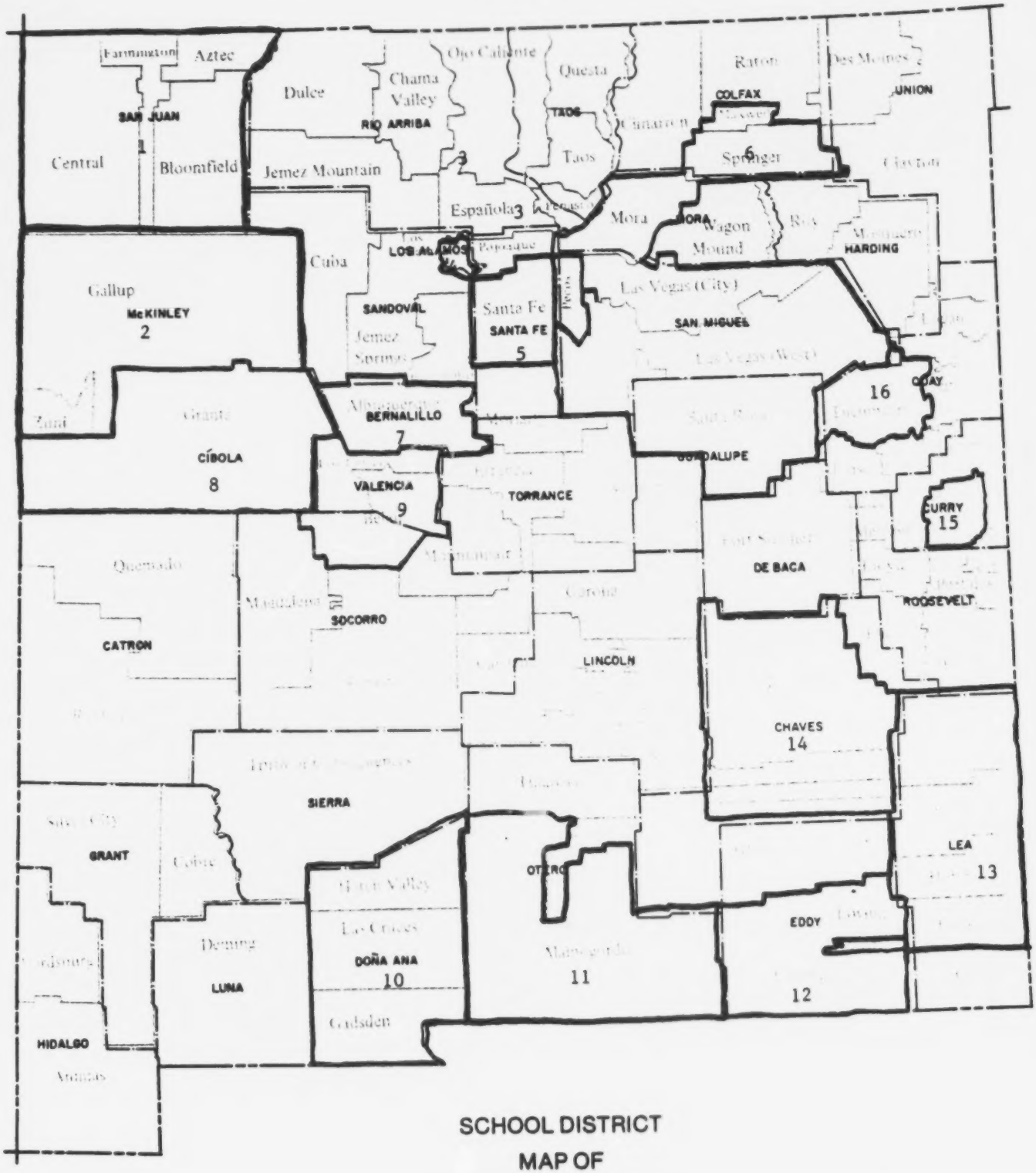
17. EL RITO. The board of regents of El Rito should develop a plan by 1987 outlining the proposed mission for that institution and submit it to the Commission on Higher Education and to the Legislature.

18. WNMU. Western New Mexico University should be recognized as the institution in southwestern New Mexico which will provide community college functions in addition to its traditional four-year college mission.

COMMUNITY COLLEGE DISTRICT SERVICE AREAS BY

SCHOOL DISTRICTS

TABLE I



SCHOOL DISTRICT

MAP OF

NEW MEXICO

MAP AS OF JULY 1984

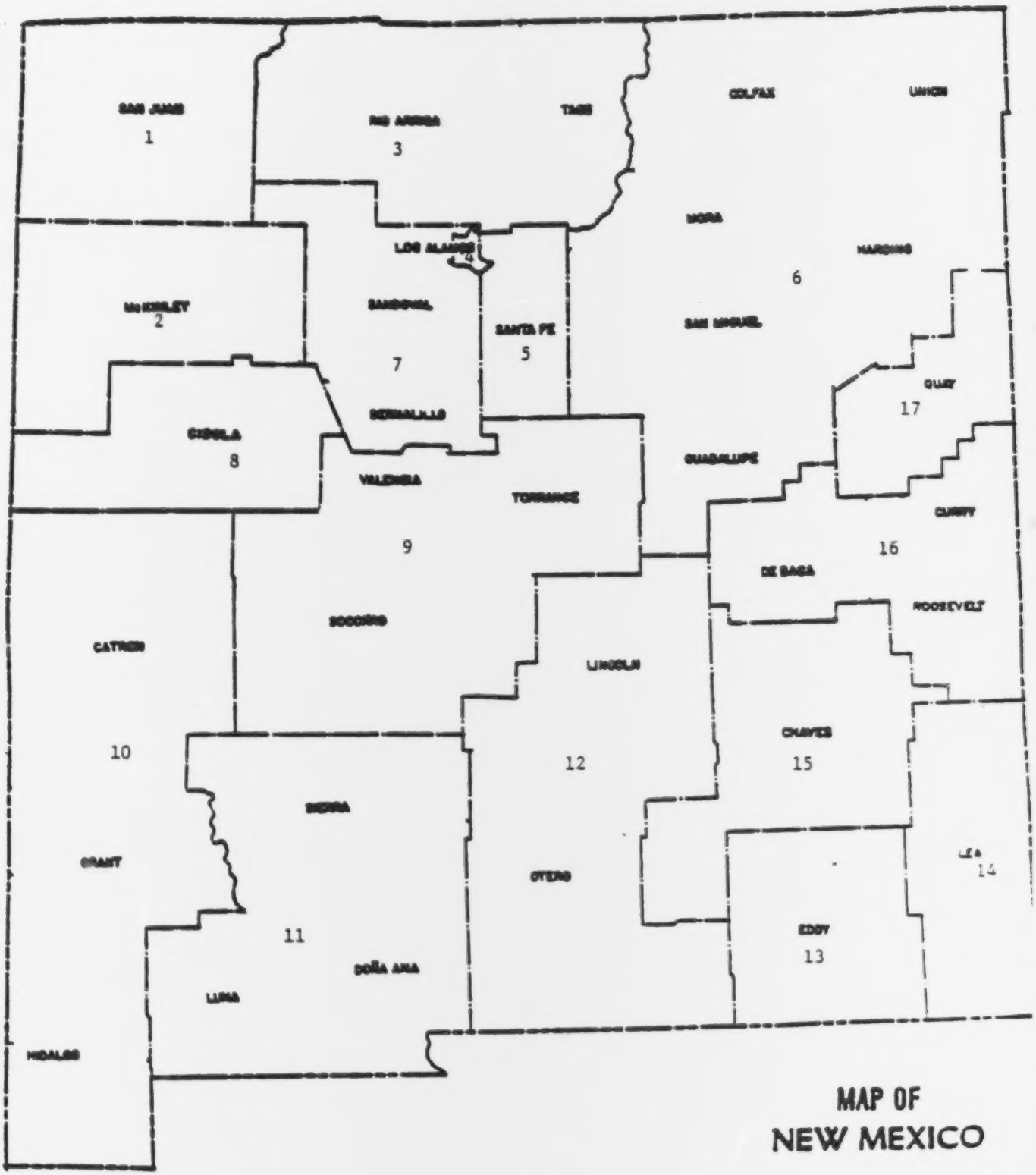
BEST COPY AVAILABLE

TABLE IA

COMMUNITY COLLEGE DISTRICT
SERVICE AREAS BY
SCHOOL DISTRICTS

Community College	County/s	School Districts
1 San Juan Community College	San Juan	Aztec; Bloomfield; Central; Farmington
2 UNM-Gallup	McKinley	Gallup; Zuni
3 Northern New Mexico Community College		Service area not defined.
4 UNM-Los Alamos	Los Alamos	Los Alamos
5 Santa Fe Community College	Santa Fe	Santa Fe
6 Luna Vocational-Technical Institute	Colfax Guadalupe Mora San Miguel	Maxwell; Springer; Santa Rosa Mora; Las Vegas (City); Las Vegas (West);
7 Albuquerque Technical-Vocational Institute	Bernalillo	Albuquerque
8 NMSU-Grants	Cibola	Grants
9 UNM-Valencia	Valencia	Los Lunas; Belen
10 NMSU-Dona Ana	Dona Ana	Gadsden; Hatch; Las Cruces
11 NMSU-Alamogordo	Otero	Alamogordo
12 NMSU-Carlsbad	Eddy	Carlsbad
13 New Mexico Junior College	Lea	Eunice; Hobbs; Lovington; Tatum
14 ENMU-Roswell	Chavez	Dexter; Hagerman; Lake Arthur; Roswell
15 ENMU-Clovis	Curry	Clovis
16 Tucumcari Area Vocational School	Quay	Tucumcari

TABLE II
PROPOSED
COMMUNITY COLLEGE DISTRICT
SERVICE AREAS BY SCHOOL DISTRICTS



MAP OF
NEW MEXICO

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TABLE IIA

PROPOSED

COMMUNITY COLLEGE DISTRICT
SERVICE AREAS BY
SCHOOL DISTRICTS

Community College	County/s	School Districts
1 San Juan Community College	San Juan	Aztec; Bloomfield; Central; Farmington
2 UNM-Gallup	McKinley	Gallup; Zuni
3 Northern New Mexico Community College	Rio Arriba	Chama Valley; Dulce; Espanola; Jemez Mountain; Ojo Caliente
	Taos	Penasco; Questa; Taos
4 UNM-Los Alamos	Los Alamos	Los Alamos
5 Santa Fe Community College	Santa Fe	Pojoaque; Santa Fe
6 Luna Vocational-Technical Institute	Colfax	Cimarron; Maxwell; Raton; Springer;
	Guadalupe	Santa Rosa
	Harding	Roy; Mosquero
	Mora	Mora; Wagon Mound
	San Miguel	Las Vegas (City); Las Vegas (West); Pecos
	Union	Clayton; Des Moines
7 Albuquerque Technical-Vocational Institute	Bernalillo	Albuquerque
	Sandoval	Bernalillo; Cuba; Jemez Springs
8 NMSU-Grants	Cibola	Grants
9 UNM-Valencia	Socorro	Magdalena; Socorro
	Torrance	Estancia; Moriarty; Mountainair; Vaughn
	Valencia	Los Lunas; Belen
10 Western New Mexico University	Catron	Quemado; Reserve
	Grant	Cobre; Silver City
	Hidalgo	Animas; Lordsburg
11 NMSU-Dona Ana	Dona Ana	Gadsden; Hatch; Las Cruces
	Luna	Deming
	Sierra	Truth or Consequences
12 NMSU-Alamogordo	Lincoln	Capitan; Carrizozo; Corona; Hondo Valley; Ruidoso
	Otero	Alamogordo; Cloudcroft; Tularosa
13 NMSU-Carlsbad	Eddy	Artesia; Carlsbad; Loving
14 New Mexico Junior College	Lea	Eunice; Hobbs; Jal; Lovington; Tatum

TABLE IIA

Page 2

Community College	County/s	School Districts
15 ENMU-Roswell	Chavez	Dexter; Hagerman; Lake Arthur; Roswell
16 ENMU-Clovis	Curry	Clovis; Grady; Melrose; Texico
	De Baca	Fort Sumner
	Roosevelt	Dora; Elida; Floyd; Portales
17 Tucumcari Area Vocational School	Quay	House; Logan; San Jon; Tucumcari

TABLE III

Current vs. Proposed Mill Levy Production

Community College or Branch	Total District Valuation	Current Mill Levy	Current Production	Minimum 1 Mill Production
Alamogordo	$159,069,340	0.793	$126,142	$159,069
Carlsbad	$374,582,887	0.284	$106,382	$374,583
Dona Ana	$442,411,588	0.514	$227,400	$442,412
Grants	$85,336,219	0.903	$77,059	$85,336
Gallup	$454,628,858	0.389	$176,851	$454,629
Los Alamos	$120,624,566	0.326	$39,324	$120,625
Valencia	$157,379,277	0.300	$47,214	$157,379
Clovis	$134,544,617	1.341	$180,424	$180,424
Roswell	$318,424,819	0.874	$278,303	$318,425
Northern	$404,753,705	0.000	$0	$404,754
Santa Fe	$347,834,273	2.000	$695,669	$695,669
Albuquerque	$2,154,046,738	3.000	$6,462,140	$6,462,140
Luna	$132,086,812	3.000	$396,260	$396,260
Tucumcari	$41,840,048	3.000	$125,520	$125,520
San Juan	$1,523,047,191	3.000	$4,569,142	$4,569,142
NMJC	$1,200,261,205	4.000	$4,801,045	$4,801,045
	$8,050,872,143		$18,308,873	$19,747,411

Current Mill Levy Production	$18,308,873
Proposed Mill Levy Production	$38,519,863
Increase	$20,210,990

Minimum 1 Mill Levy	$19,747,411
Proposed Mill Levy Production	$38,519,863
Increase	$18,772,452

TABLE IIIA

Total Required Funding Calculations
Total Required Funding With 10% of Excess Levy Production Over Approved Expenditures
and Transfers Retained by the Institution

	Expenditure and Transfer Level	Tuition Revenue Credit	Other Revenue Credits (4)	Total Revenue Credits	Funding Requirement	Addition From Tuition Elimination	Adjusted Funding Requirement
Alamogordo (1)	$2,399,412	$418,877	$5,864	$423,941	$1,975,471	$418,877	$2,393,548
Carlsbad (1)	$1,679,851	$238,251	$4,582	$242,833	$1,437,018	$238,251	$1,675,269
Dona Ana (1)	$2,206,117	$205,779	($2,472)	$203,307	$2,002,810	$205,779	$2,208,589
Grants (1)	$1,263,882	$124,476	$3,211	$127,687	$1,136,195	$124,476	$1,260,671
Gallup (1)	$2,979,918	$386,712	$8,759	$395,471	$2,584,447	$386,712	$2,971,159
Los Alamos (1)	$1,432,838	$190,429	$1,237	$191,666	$1,240,372	$190,429	$1,430,801
Valencia (1)	$1,393,508	$157,923	$1,640	$159,563	$1,233,945	$157,923	$1,391,868
Clovis (1)	$3,341,986	$528,162	$15,910	$544,072	$2,797,914	$528,162	$3,326,076
Roswell (1)	$3,868,996	$432,345	$54,239	$486,584	$3,382,412	$432,345	$3,814,757
Northern (1)	$3,715,928	$279,481	$106,839	$385,320	$3,330,608	$279,481	$3,610,089
Santa FE (1)	$3,001,714	$375,150	($199,536)	$175,614	$2,826,100	$375,150	$3,201,250
Albuq. TVI (2)	$23,253,730	$60,000	$4,822,216	$4,882,216	$18,371,514	$60,000	$18,431,514
Luna TVI (2)	$4,587,955	$15,000	$675,504	$690,504	$3,897,451	$15,000	$3,912,451
Tucumcari TVI (2)	$1,000,821	$4,000	$204,842	$208,842	$799,179	$4,000	$803,179
NNMJC (3)	$6,130,507	$483,220	$121,002	$604,222	$5,526,285	$483,220	$6,009,505
SJC (3)	$6,224,000	$677,681	$462,319	$1,140,000	$5,084,000	$677,681	$5,761,681
Total	$68,487,563	$4,576,686	$6,285,156	$10,861,842	$57,625,721	$4,576,686	$62,202,407

Footnote: 1) Based on final 1986 legislative revenue, expenditure and transfer levels.
2) Based on 1985-86 budgeted operational fund.
3) Based on 1985-86 operating budgets.

	Adjusted Funding Requirement	Total Assessed Value	4 Mill Tax Levy	Excess Over Requirement	10% Of Excess	Adjusted Expenditure and Transfer Level
Alamogordo	$2,393,548	$341,499,234	$1,365,997	$0	$0	$2,399,412
Carlsbad	$1,675,269	$721,181,466	$2,884,726	$1,209,457	$120,946	$1,800,797
Dona Ana	$2,208,589	$599,332,067	$2,397,328	$188,739	$18,874	$2,224,991
Grants	$1,260,671	$85,336,219	$341,345	$0	$0	$1,263,882
Gallup	$2,971,159	$537,900,188	$2,151,601	$0	$0	$2,979,918
Los Alamos	$1,430,801	$120,624,566	$482,498	$0	$0	$1,432,838
Valencia	$1,391,868	$256,944,470	$1,027,778	$0	$0	$1,393,508
Clovis	$3,326,076	$299,753,025	$1,199,012	$0	$0	$3,341,986
Roswell	$3,814,757	$318,424,819	$1,273,699	$0	$0	$3,868,996
Northern	$3,610,089	$470,112,601	$1,880,450	$0	$0	$3,715,928
Santa FE	$3,201,250	$360,960,189	$1,443,841	$0	$0	$3,001,714
Albuq. TVI	$18,431,514	$2,265,688,488	$9,062,754	$0	$0	$23,253,730
Luna TVI	$3,912,451	$280,756,267	$1,123,025	$0	$0	$4,587,955
Tucumcari TVI	$803,179	$70,488,938	$281,956	$0	$0	$1,000,821
NNMJC	$6,009,505	$1,377,916,203	$5,511,665	$0	$0	$6,130,507
SJC	$5,761,681	$1,523,847,191	$6,092,189	$330,588	$33,051	$6,257,051
Total	$62,202,407	$9,629,965,851	$38,519,863	$1,728,784	$172,870	$68,660,433

TABLE IIIB

Estimated Funding Requirements

	Adjusted Expenditure and Transfer Level	Other (1) Revenue Credits	Funding Requirement
Alamogordo	$2,399,412	$5,864	$2,393,548
Carlsbsd	$1,800,797	$4,582	$1,796,215
Dona Ana	$2,224,991	($2,472)	$2,227,463
Grants	$1,263,882	$3,211	$1,260,671
Gallup	$2,979,918	$8,759	$2,971,159
Los Alamos	$1,432,038	$1,237	$1,430,801
Valencia	$1,393,508	$1,640	$1,391,868
Clovis	$3,341,986	$15,910	$3,326,076
Roswell	$3,868,996	$54,239	$3,814,757
Northern	$3,715,928	$105,839	$3,610,089
Santa FE	$3,001,714	($199,536)	$3,201,250
Albuq. TVI	$23,253,730	$4,822,216	$18,431,514
Luna TVI	$4,587,955	$675,504	$3,912,451
Tucumcari TVI	$1,008,021	$204,842	$803,179
NNMJC (1)	$6,130,507	$121,002	$6,009,505
SJC (1)	$6,257,051	$462,319	$5,794,732
Total	$68,660,434	$6,285,156	$62,375,278

Footnote: 1) Excluding Tuition. Negative amounts indicate allowed transfers in excess of other revenues.

Estimated General Fund Available	Amount	Total Amount
Total Institution Expenditure & Transfer Requirements Estimate		$68,660,434
Revenue Taken Credit for		($6,285,156)
Net Funding Requirements		$62,375,278
State Wide 4 MIll Levy:		
Total	$39,987,000	
Western New Mexico University	($1,467,000)	
Net Available for Two-year Institutions		($38,520,000)
Estimated General Fund Requirement		$23,855,278
Actual 1986-87 General Fund		$37,964,000
Estimated General Fund Requirement		($23,855,278)
Estimated General Fund Reduction		$14,108,722

TABLE IIIC

Proposed Districts Assessed Valuation

Community College: Public School Districts	Total Assessed Valuation
San Juan Community College:	
Bloomfield # 6	$302,879,319
Central Cons. # 22	$749,932,367
Aztec # 2	$196,804,170
Farmington # 5	$273,431,335
Total	$1,523,047,191
UNM Gallup Branch:	
Cimarron # 3	$83,271,330
Zuni	$3,153,934
Gallup # 1 + Zuni	$451,474,924
Total	$537,900,188
Northern New Mexico Community College:	
Penasco #4 + Rio Ariba #32	$3,282,269
Taos # 1	$40,563,594
Dulce # 21	$106,481,013
Chama # 19	$16,406,450
Jemez Mountain # 53	$189,665,049
Espanola # 45 + SF #18	$47,688,159
Questa # 9	$52,135,293
Mesa Vista # 6 + Rio Ariba #6T	$13,890,774
Total	$470,112,601
UNM Los Alamos:	
Los Alamos	$120,624,566
Total	$120,624,566
Santa Fe Community College:	
Santa Fe # C	$347,834,273
Pojoaque # 1	$13,125,916
Total	$360,960,189
Luna Vocational-Technical Institute:	
Maxwell # 26	$2,183,354
Mosquero # 5	$21,898,977
Wagon Mound # 12	$4,635,577
Springer # 24 + Union #49	$8,840,830
Pecos # 21	$7,273,506
Clayton # 1 +Quay #33	$55,874,321
Des Moines # 22 +Colfax #35	$8,596,661

TABLE IIIC

Proposed Districts Assessed Valuation

Community College: Public School Districts	Total Assessed Valuation
Santa Rosa # 8 + San Miguel #50	$24,976,617
Roy # 3	$4,266,820
Mora # 1	$8,759,047
Raton # 11	$28,563,870
Las Vegas City # 2 + Mora #2C	$57,361,572
Vaughn # 33 + Torrence #15	$17,559,723
West Las Vegas # 1	$29,965,392
Total	$280,756,267
Albuquerque Technical-Vocational Institute:	
Cuba # 20	$27,996,201
Bernalillo # 1	$39,615,946
Albuquerque # 12 + Sandoval #2A & #RR	$2,154,046,738
Jemez Springs # 31	$44,029,523
Total	$2,265,688,408
NMSU Grants Branch:	
Grants # 1	$85,336,219
Total	$85,336,219
UNM Valencia Branch:	
Magdelena # 12	$7,101,780
Belen # 2 + Socorro #5	$104,439,354
Mountainair # 13 + Socorro #13T	$9,485,948
Los Lunas # 1	$52,939,923
Socorro # 1	$25,981,763
Moriarty # 8 + Bern #24 + Bern #24 + SF #8T	$39,789,310
Estancia # 7	$17,206,392
Total	$256,944,470
Western New Mexico University:	
Reserve # 1	$18,065,885
Animas # 6	$57,331,345
Cobre Cons # 2	$128,551,219
Silver City # 1	$123,232,042
Quemado # 2 + Cibola Q-M-02	$16,773,556
Lordsburg # 1	$22,965,883
Total	$366,919,930
NMSU Dona Ana Branch:	
Las Cruces # 2	$339,070,297

TABLE IIIC

Proposed Districts Assessed Valuation

Community College: Public School Districts	Total Assessed Valuation
Truth or Cons # 6	$57,281,780
Deming # 1	$99,638,699
Hatch # 11	$11,622,324
Gadsen #16	$91,718,967
Total	$599,332,067
NMSU Alamogordo:	
Tularosa # 4	$15,590,485
Carrizozo # 7 + Socorro #7L	$6,890,634
Corona # 13 +Socorro #13L + Torr. #20/3	$12,847,735
Cloudcroft # 11	$22,253,447
Hondo # 20	$6,470,121
Ruidoso # 3	$88,087,243
Capitan # 28	$30,290,238
Alamogordo # 1	$159,069,340
Total	$341,499,243
NMSU Carlsbad:	
Artesia # 16 + Chavez #14	$325,162,802
Carlsbad # C	$374,582,887
Loving # 10	$21,435,777
Total	$721,181,466
New Mexico Junior College:	
Hobbs # 16	$401,427,147
Eunice # 8	$234,512,982
Tatum # 28 + Chavez #1L	$84,163,652
Jal # 19	$177,654,998
Lovington # 1	$480,157,424
Total	$1,377,916,203
ENMU Roswell Branch:	
Lake Arthur # 20	$16,865,549
Dexter # 8	$11,744,764
Hagerman # 6	$10,161,994
Roswell # 1	$279,652,512
Total	$318,424,819
ENMU Clovis Branch:	
Texico # 2 + Roosevelt #3	$18,204,821
Clovis # 1	$144,477,726

TABLE IIIC

Proposed Districts Assessed Valuation

Community College: Public School Districts	Total Assessed Valuation
Melrose #12 + Roos. #9 + Quay #53	$11,536,449
Floyd # 5	$4,008,263
Dora # 39	$27,805,177
Portales # 1	$49,760,822
Elida # 2 + Chavez #27 + Chavez #28	$16,633,236
Grady # 61 + Quay #23/47	$8,370,951
Fort Sumner	$18,955,580
Total	$299,753,025
Tucumcari Area Vocational School:	
House # 19 + Roosevelt #9A/74	$4,190,255
Logan # 32 + Harding #24/25	$12,180,433
Tucumcari # 1	$41,840,048
San Jon # 34	$12,278,202
Total	$70,488,938
Grand Total	$9,996,885,790

SECTION FOUR
STUDENT FINANCIAL AID

New Mexico benefits from governmental efforts to provide residents of the state with access to a reasonable choice of higher education institutions, and with the means to achieve their education goals. New Mexico has supported the aforementioned belief through two primary means:

New Mexico has provided many types of low-tuition publicly supported institutions of higher education in various regions of the state, and the state has developed student financial aid programs that have the general purpose of assisting needy and disadvantaged New Mexico residents in obtaining a postsecondary education .

The philosophical premise of state-supported financial aid programs is as follows:

While the cost burden of a student's postsecondary education is primarily a parental or personal responsibility, no New Mexico resident should be denied access to postsecondary education because of financial inability to sustain the cost of obtaining such an education.

Freedom of choice of college has been maintained by making loans, grants and work opportunities available for students to attend a wide range of postsecondary institutions in New Mexico, including two- and four-year public universities, independent colleges and universities, and public technical-vocational institutes.

New Mexico is in a partnership relation with the federal government. Federal need-based student aid comprises approximately 95 percent of the total available student aid in New Mexico. State-funded student aid programs comprise approximately 5 percent of the total dollars but should not be underestimated because the programs are flexible and are aimed specifically at the need of New Mexico residents.

FINANCIAL NEED

Low-income students, many of whom are racial or ethnic minorities, have been target groups of most government financial aid programs initiated at federal and state levels. This is evidenced by the fact that almost all dollars provided have been need-based. This means that financial aid has been provided to make up the difference between the financial

resources of the student and his or her family, and the cost of attending a college of choice. While it is clear that access has been greatly improved for low-income students over the past 16 years, it is also quite clear that the task is far from complete. The difference between the cost of attending a postsecondary institution and total resources available (including financial aid) may be termed the "need gap." In New Mexico this need gap was $8.6 million in the 1984-85 academic year.

In computing the need gap certain standard definitions and calculations were used:

"Cost" is the sum of tuition and fees plus standard allowances for books and supplies, room and board, personal expenses, and transportation. The allowances were based on budgets prepared by the financial aid directors and vary based on student living arrangements and whether the student was married and/or had dependents.

"Need" equals "Cost" minus "Total Expected Family Contribution" as calculated by the Pell Grant needs analysis system in accordance with the uniform methodology system of needs analysis. In the case of dependent students, family contribution includes a proportion of parents income and assets as well as an expected student contribution including a proportion of assets and the full value of available benefits (e.g., veterans benefits, public assistance, etc.). For independent students, both their own and their spouse's (if applicable) income and assets are applied against the cost of education.

"Need Gap," which was the focus of the study, is the difference between "Need" and the total amount of assistance received by the student through federal, state and private need-based financial aid programs.

The relation may be portrayed as follows:

NEED = COST - TOTAL EXPECTED FAMILY CONTRIBUTION

NEED GAP = NEED - TOTAL FINANCIAL ASSISTANCE

It should be stressed that the need gap calculated is a most conservative amount because of the data limitations. For example, the data source for making Total Expected Family Contribution calculations did not include non-residents (for which federal financial aid is available) nor did it include graduate students (who are eligible for some federal and state financial aid). More importantly, the size of the need gap is understated because graduate students and non-residents consume a large portion of financial aid dollars without being accounted for in the equation.

The increase in tuition for the 1986-87 academic year will average 20 percent in New Mexico. Each percent increase yields an increase of $95,000 in the need gap. This increased the gap by $1.9 million. However, New Mexico increased its commitment by $500,000 which reduces the increase to $1.4 million. Therefore, the total need gap equals $10 million for the 1986-87 academic year, without factoring inflation.

The need gap of $10 million is for the 47 percent of the student population which receives financial aid. A large number of students, approximately 53 percent, can afford to pay more than the present tuition rate and are therefore receiving an unneeded state subsidy in the form of low tuition rates. A central question is, "Why should the state pay/assist those students who can afford to pay the price of attending an institution?" Many of these students will attend an institution regardless if it costs $90 more per semester. In other words, in this time of fiscal constraints it is important that financial assistance be targeted squarely at those students who would otherwise not be able to attend.

All else being equal (academic ability and motivation) students from lowest-income families have been participating at a lower rate than those from middle- and upper-income groups. The continuing, relatively low college-going rate is a matter of great concern in New Mexico because demographic data indicates clearly that racial and ethnic minorities comprise the fastest growing segment of future college age students in the state . It is assumed that state government will continue to be interested in pursuing policies that will "level-up" participation rates of low-income groups.

As costs rise and the federal government lessens its commitment to student financial aid, low-income students will be hampered from participating in higher education. The Reagan administration has repeatedly requested huge cuts in federal programs and has maintained that the states should play a more substantial role in student financial assistance. Up to now Congress has not allowed such cuts but has not increased the size of programs either. Rising costs, of which tuition is a relatively small percentage, have seriously eroded the ability of financial aid to meet student needs.

To receive federal State Student Incentive Grant funds (SSIG) a 50/50 match from participating states is required. All federal rules and regulations must be followed. The SSIG program does not permit participation of graduate students. Furthermore, no state or federal grant programs exist for graduate students. New Mexico overmatches the federal mandatory match by approximately $1 million.

The New Mexico Work Study Program only permits participation of full-time students and only allows students to

work for nonprofit postsecondary institutions, state political subdivisions, state agencies, and nonprofit organizations approved by the Commission on Higher Education.

New Mexico has no means by which to attract and maintain New Mexico's most talented and gifted students. Many of the most prestigious institutions throughout the United States offer financial enticements to these students resulting in a brain drain for New Mexico institutions.

Recommendations

19. STUDENT GRANT PROGRAM. Beginning with academic 1987-88 a New Mexico Student Grant Program should be established by the Legislature under the authority of the Commission on Higher Education and should include both New Mexico resident undergraduate and graduate students. All SSIG overmatching funds should be appropriated to this fund.

20. FUNDING FOR STUDENT GRANT PROGRAM. Legislation should be introduced requiring that 10 percent of each year's tuition collections beginning with the 1987-88 academic year be earmarked for the New Mexico Student Grant Program.

21. ELIGIBILITY CRITERIA. By 1987 the New Mexico Commission on Higher Education should develop eligibility requirements that give the highest priority in awarding need-based state funded student assistance to the neediest New Mexico resident students.

22. WORK STUDY PROGRAM. Beginning in 1987 and thereafter the New Mexico Work Study Program should be legislatively expanded to include part-time students and private employers.

23. TALENTED STUDENTS PROGRAM. A Talented Students Grant Award Program should be established by legislation for students who are highly academically talented. Authority for the program would reside with the New Mexico Commission on Higher Education. This program would provide tuition and fees as well as a stipend of $1000 per year to the top two ranking academic students from New Mexico public high schools who choose to attend a New Mexico public institution of higher education.

TABLE I

Ethnic/Racial Composition

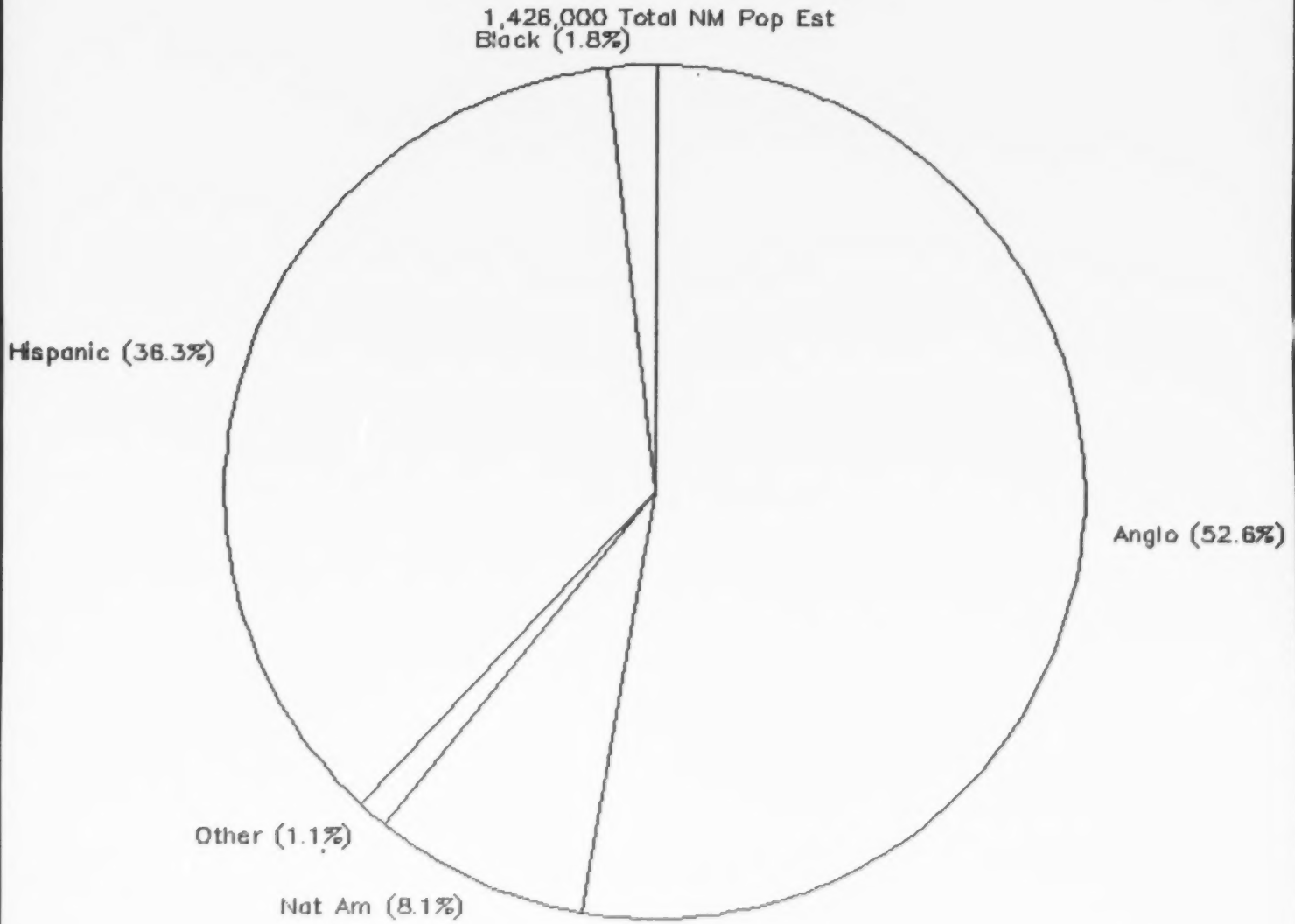


TABLE II

Family Income by Race/Ethnicity

New Mexico, 1979

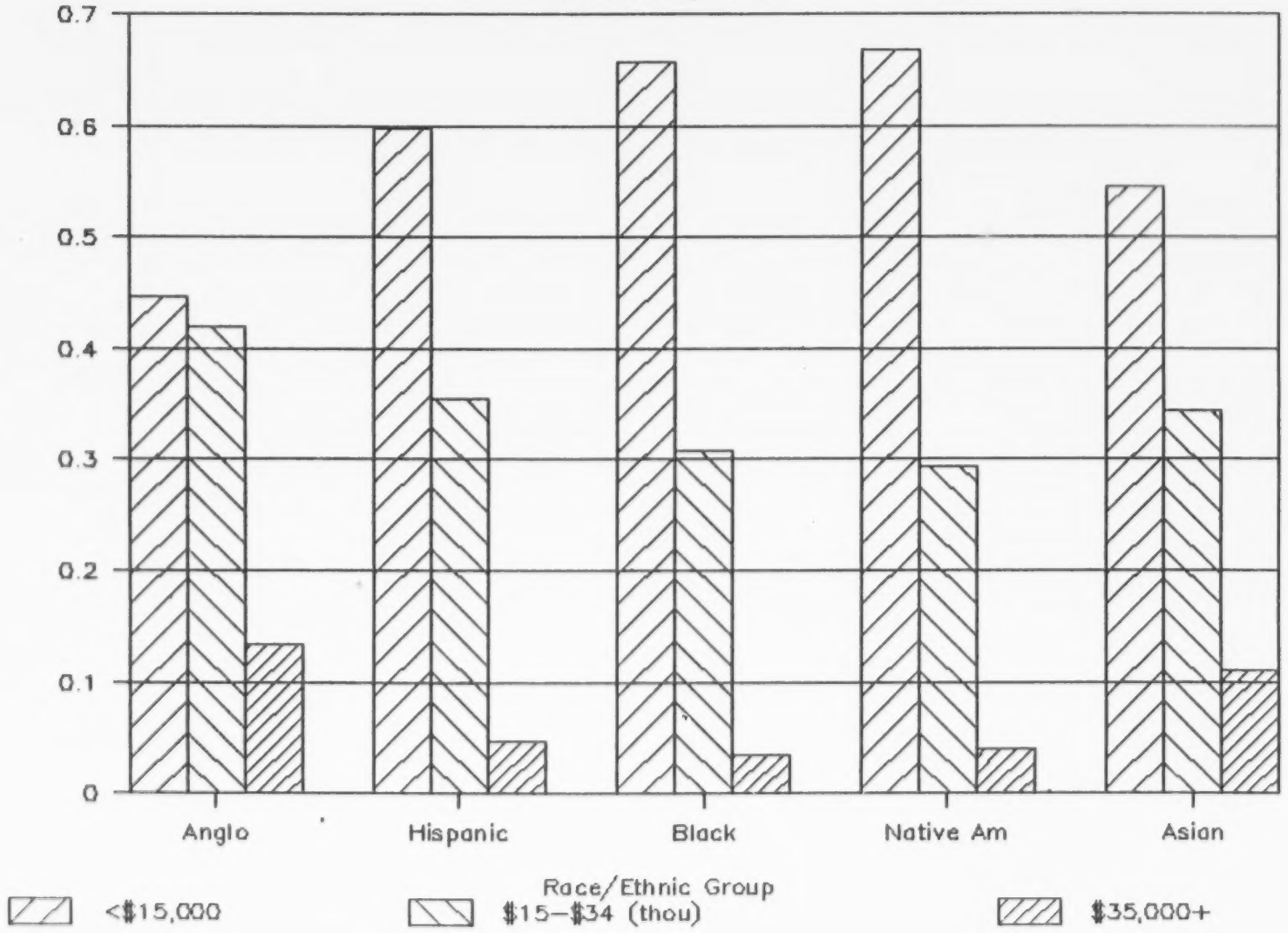


TABLE III

Average Student Budget, 1986-87

NM Four Year Institutions

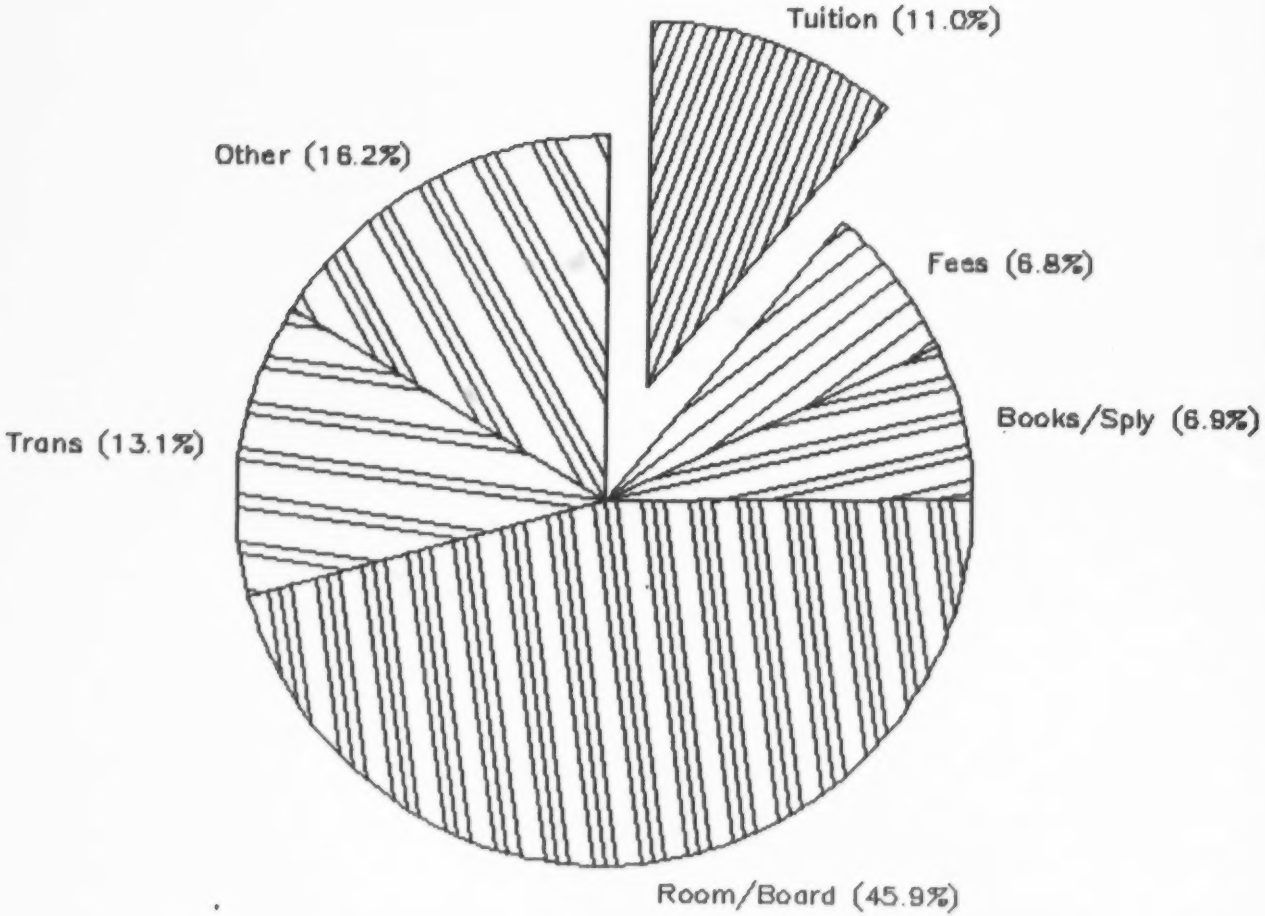
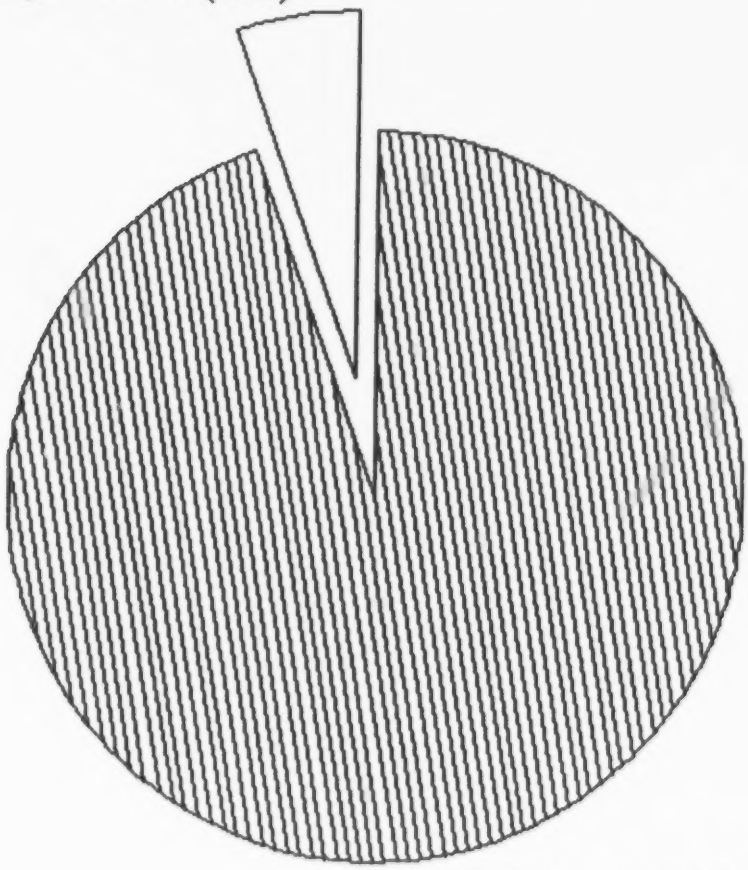


TABLE IV

Federal and State Financial Aid

Contribution to Total Expenses

State $2.8 million (5.4%)

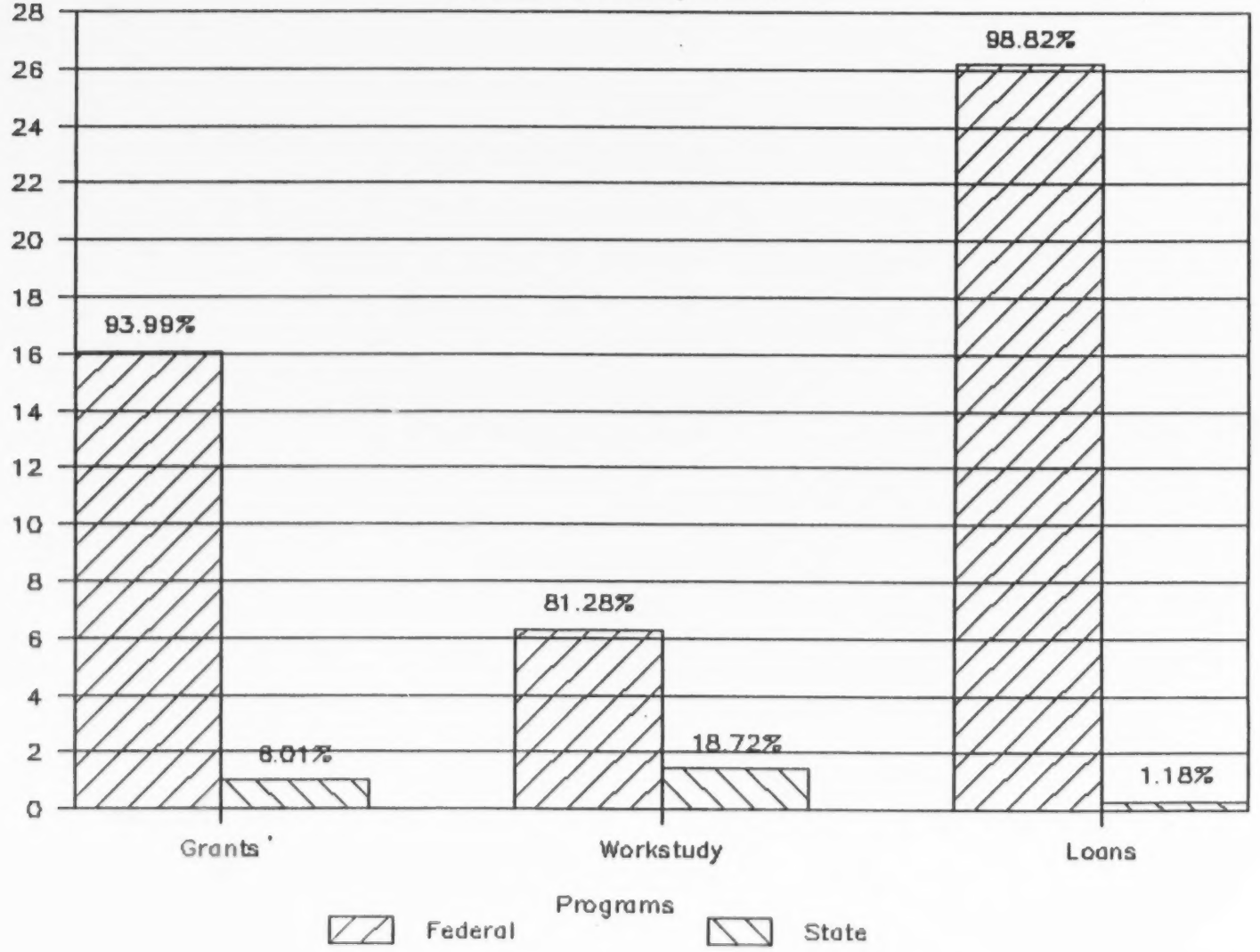


Fed $48.6 million (94.6%)

TABLE IVA

Federal and State Financial Aid

1984–85 Actual Expenditures



PERCENTAGE OF STUDENTS RECEIVING FINANCIAL AID
PER INSTITUTION, 1984-85
Board of Educational Finance
27-Jan-86

TABLE V

PUBLIC INSTITUTIONS 4-YEAR	1984-85 # of RECIPIENTS	FALL 1984 HEAD-COUNT	PERCENT RECIEVING FIN AID
UNM-Main	9108	24019	37.92%
NMSU-Main	9263	12786	72.45%
ENMU-Main	2912	3549	82.05%
NMHU	1660	2150	77.21%
WNMU	1037	1843	56.27%
NMIMT	661	1246	53.05%
subtotal.....	24641	45593	54.05%
2-YEAR			
Gallup	248	1491	16.63%
Los Alamos	27	940	2.87%
Valencia	54	679	7.95%
Alamogordo	564	1396	40.40%
Carlsbad	371	921	40.28%
Dona Ana	557	605	92.07%
Grants	275	507	54.24%
Clovis	NA	1848	NA
Roswell	613	1252	48.96%
NMMI	280	398	70.35%
NNMCC	177	977	18.12%
NMJC	859	2474	34.72%
SJC	578	2218	26.06%
SFCC	165	1828	9.03%
subtotal.....	4768	15686	30.40%
4-YEAR & 2-YEAR subtotal.....	29409	61279	47.99%
VOCATIONAL-TECH			
TVI	4804	NA	
LUNA	403	2337	17.24%
Tucumcari	11	303	3.63%
subtotal.....	414	2640	15.68%

NOTES: 1. Recipients include the total unduplicated number receiving both need and non-need based financial aid.

2. Part-time, full-time, graduate and undergraduate students are included.

TABLE VI

PROPOSED USE OF 10 PERCENT TUITION

New Mexico Student Grant Program	2,850,000
Work Study for Part-Time Students	500,000
Talented Students Grant Award	400,000
TOTAL	3,750,000

SECTION FIVE
AFFIRMATIVE ACTION

Several years ago the Association of American University professors conducted a study on affirmative action in which it stated that "what is sought in the idea of affirmative action is essentially the revision of standards and practices to assure that institutions are in fact drawing from the largest marketplace of human resources in staffing their faculties and a critical review of appointment and advancement criteria to ensure that they do not inadvertently foreclose consideration of the best qualified persons by untested presuppositions which operate to exclude women and minorities."

This concept of affirmative action also applies to student enrollments. New Mexico's colleges and universities should give special attention to women and minority recruitment and retention efforts. Additionally, each institution should designate a contact person to advise and orient minority and women students on the structure of the school and its program offerings, particularly in areas traditionally under represented by women and minorities.

New Mexico is a state which is blessed with one of the largest marketplaces of human resources because of the multicultural composition of our population.

This diversity has given us many opportunities to provide for the advancement of many different cultures in art, literature, celebrations and all aspects of our lives. So too should our institutions of higher education be representative of that diversity and provide opportunities for individuals regardless of race, sex or national origin.

In the late 1970s New Mexico's universities lagged behind in efforts to develop and implement true affirmative action plans. The New Mexico Advisory Committee to the U.S. Commission on Civil Rights was brought in to perform a study on "Employment Patterns in New Mexico's Public Institutions of Higher Education, 1979-80."

While this study indicated some advances in student enrollments for women and minorities, it also disclosed that New Mexico's universities had not truly revised their standards and practices for women and minorities in administrative and faculty positions.

It is important to note that the state's universities are major employers within their communities and, as such, they

must ensure equal employment opportunities for citizens in those communities. Although there has been an overall increase in the number of minorities and women employed at the state's colleges and universities, the gains have been quite modest. The vast majority of upper level faculty and administrators are still white males.

While we must sustain and expand efforts to recruit and retain minority and women students, we must also attempt to ensure that colleges and universities are equal opportunity employers. Affirmative action and equal employment opportunities must also ensure equal pay for women and minorities.

Progress has been made in the appointment and professional advancement of women and minorities in higher education, but the progress has been slow. There are still too few minority and women faculty members in most academic fields and those who are there tend to be concentrated in the lower academic ranks and in part-time temporary positions. Gaps in salary between men and women faculty members still exist. Faculty members continue to look to the courts for redress, which is disruptive to both the educational and administrative processes of the institutions.

The courts should not continue to be the only effective vehicle for action. Effective affirmative action plans are necessary. There must be a greater commitment to the basic principles and to the implementation and monitoring of affirmative action plans in order to approach real equality of opportunity. State government should stimulate the change and the institutions must be the driving force to ensure that change occurs.

Recommendations

24. HIRING PLANS. Beginning with the submission of 1987-88 operating budgets, the Commission on Higher Education should require all New Mexico public institutions of higher education to submit an <u>Affirmative Action Hiring Plan</u> that outlines affirmative action goals. The Commission will also require yearly progress reports with supporting data. Responsibility for implementation of the plans will, however, rest with the governing boards of the institutions.

25. STUDENT RECRUITMENT/RETENTION. Institutions should pay special attention to minority and women student recruitment and retention efforts to ensure that the student populations of state campuses reflect the rich cultural diversity of New Mexico.

TABLE I

% of Pop vs Representation vs Degrees

New Mexico, 1984

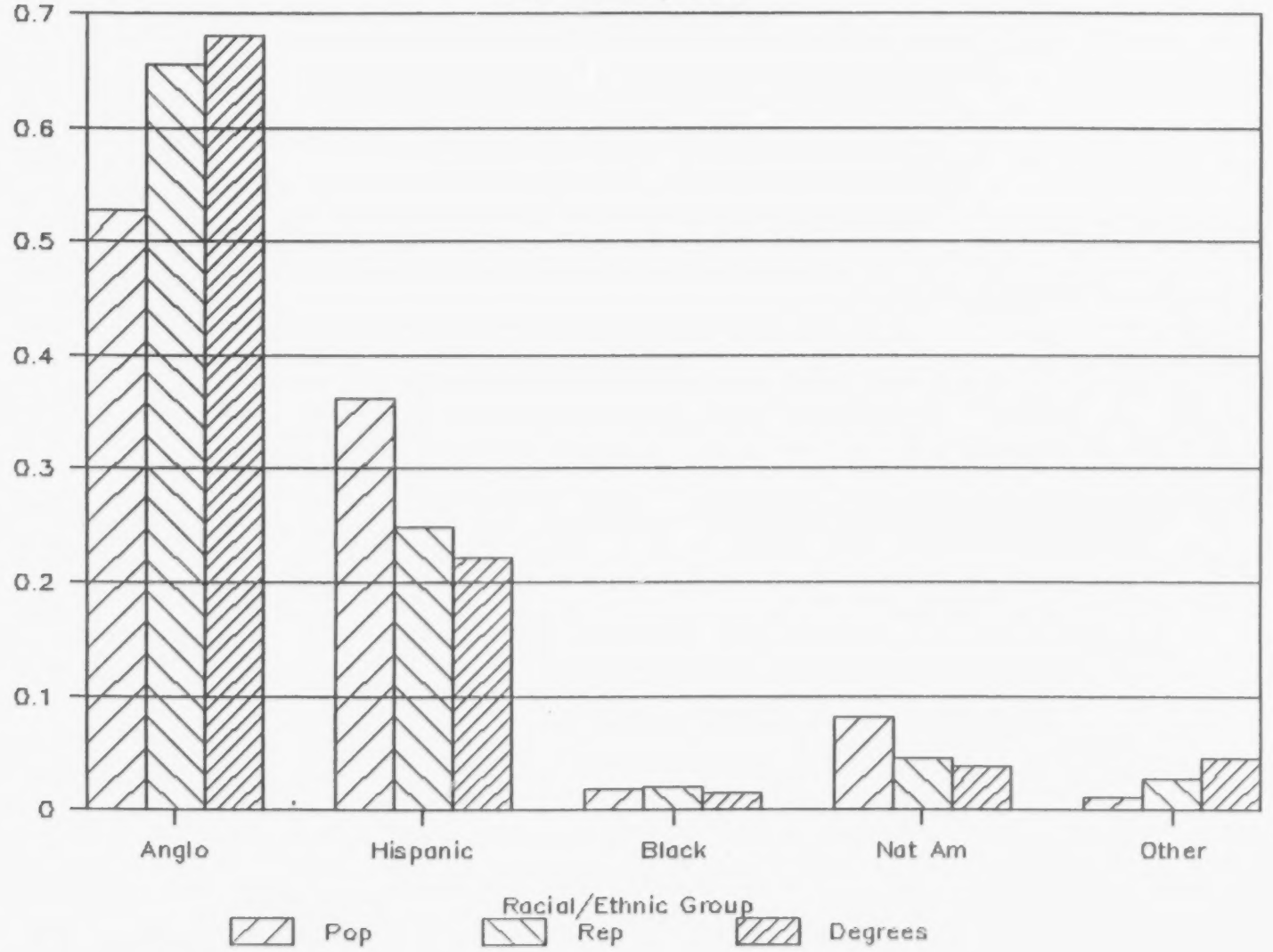


TABLE IA

% OF DEGREES EARNED BY ANGLOS

Population Aged 20–29 = 51% of Total

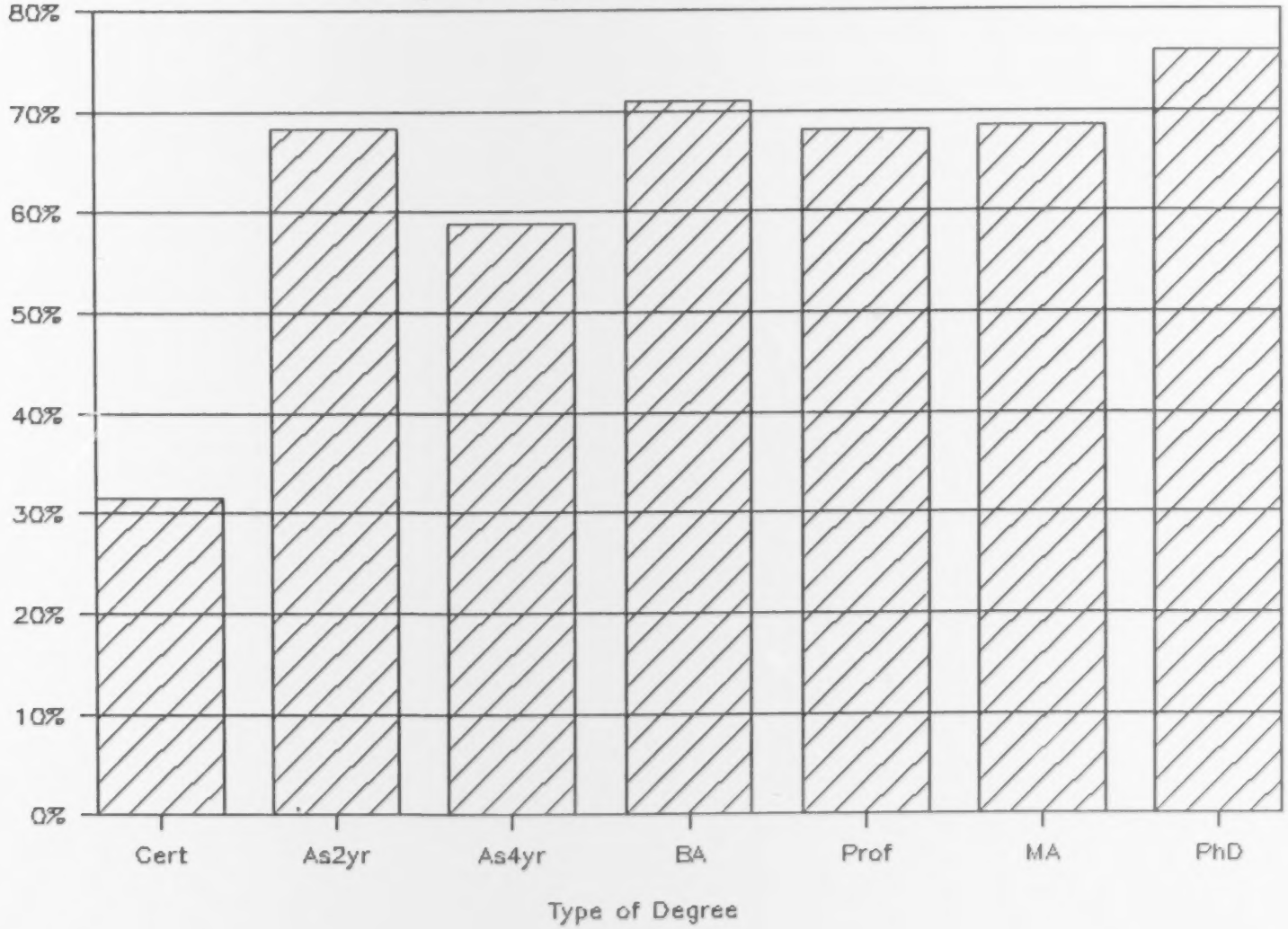


TABLE 1B

% OF DEGREES EARNED BY HISPANICS

Population Aged 20–29 = 37% of Total

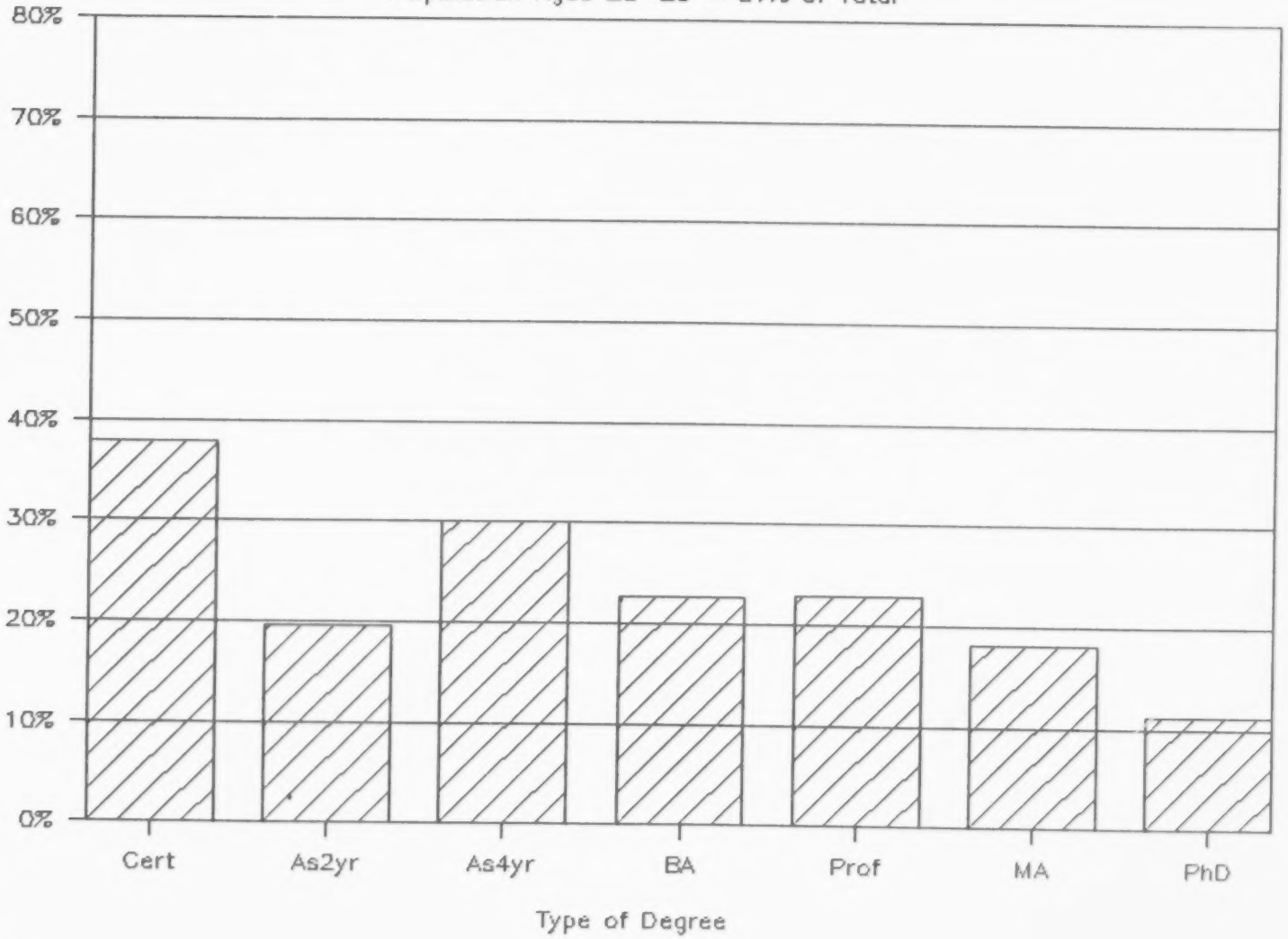


TABLE IC

% OF DEGREES EARNED BY NATIVE AMERICANS

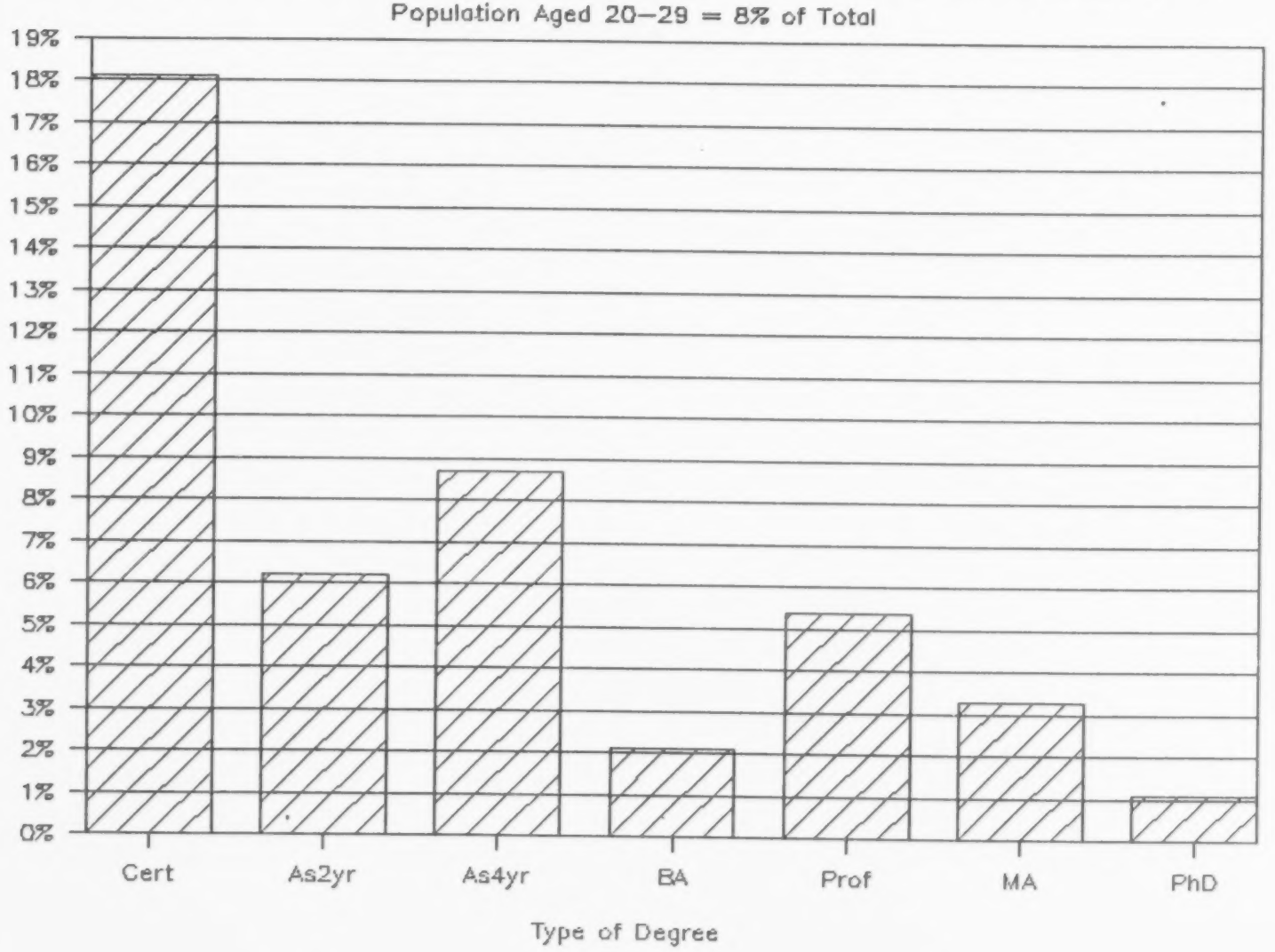
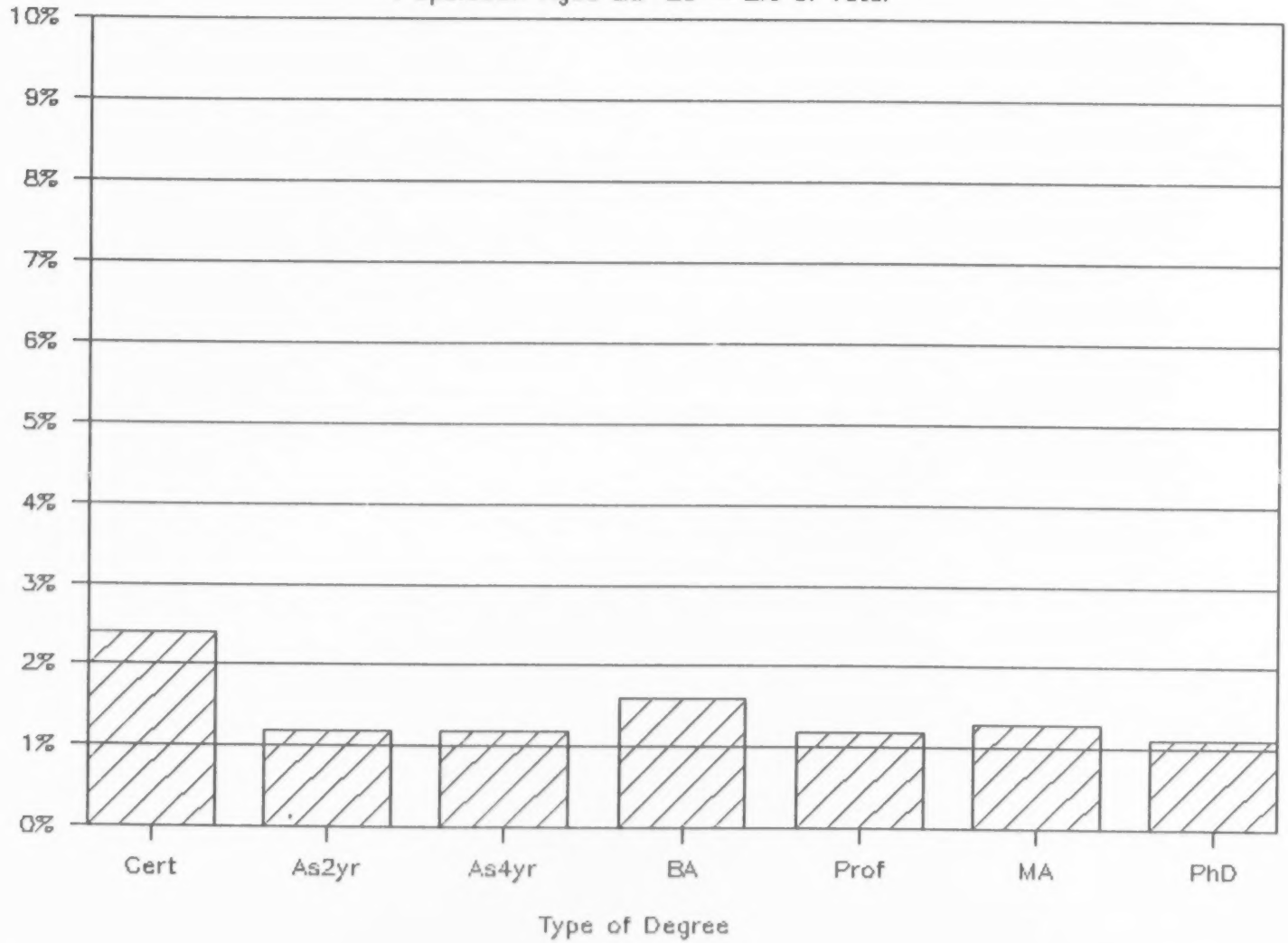


TABLE ID

% OF DEGREES EARNED BY BLACKS

Population Aged 20–29 = 2% of Total

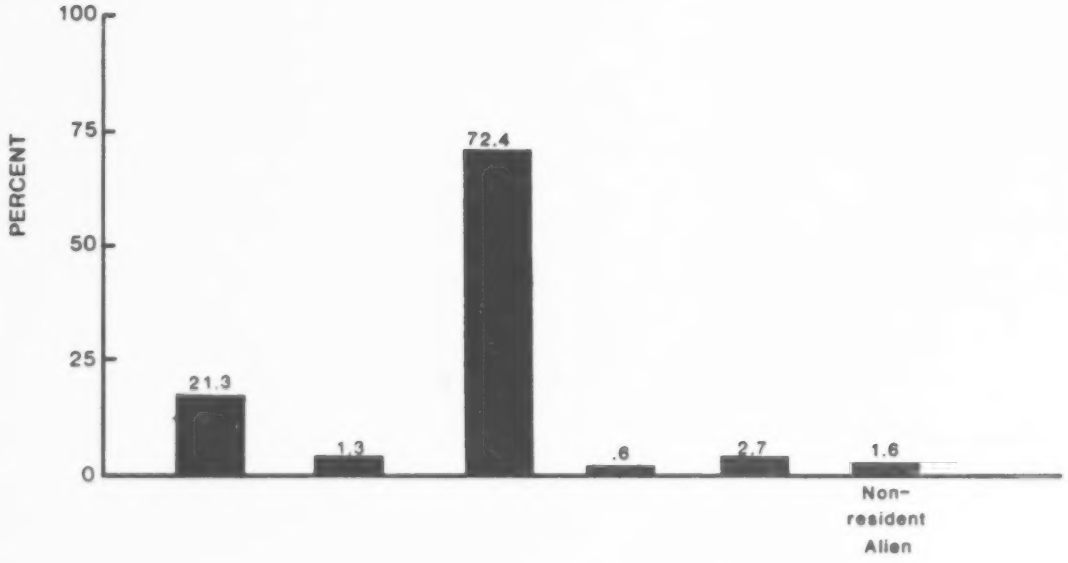


NEW MEXICO HIGHLANDS UNIVERSITY

1983

TABLE II

STUDENT ETHNICITY



ETHNICITY AND SEX OF FULL-TIME
EMPLOYEES EARNING $30,000 AND OVER

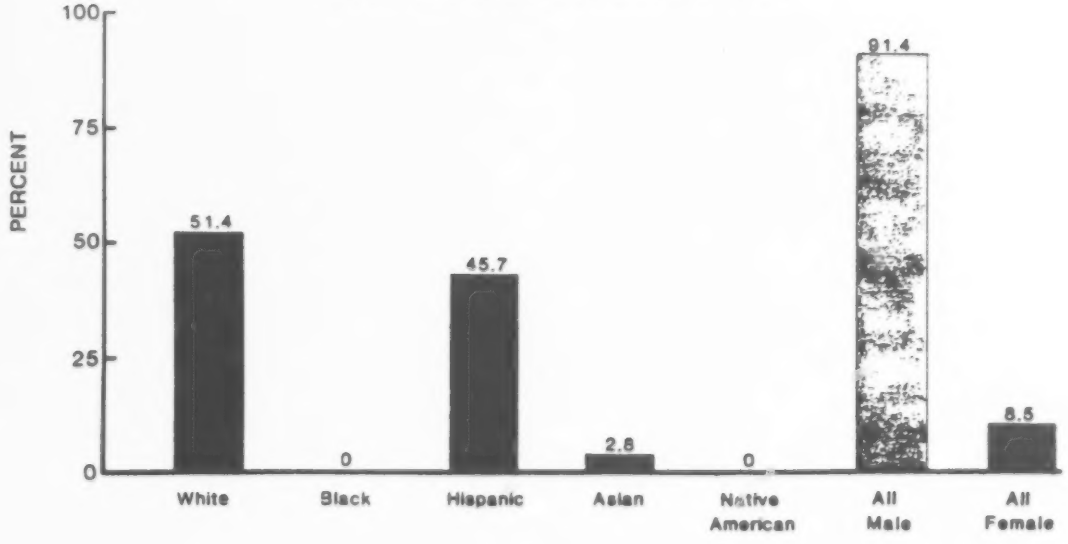
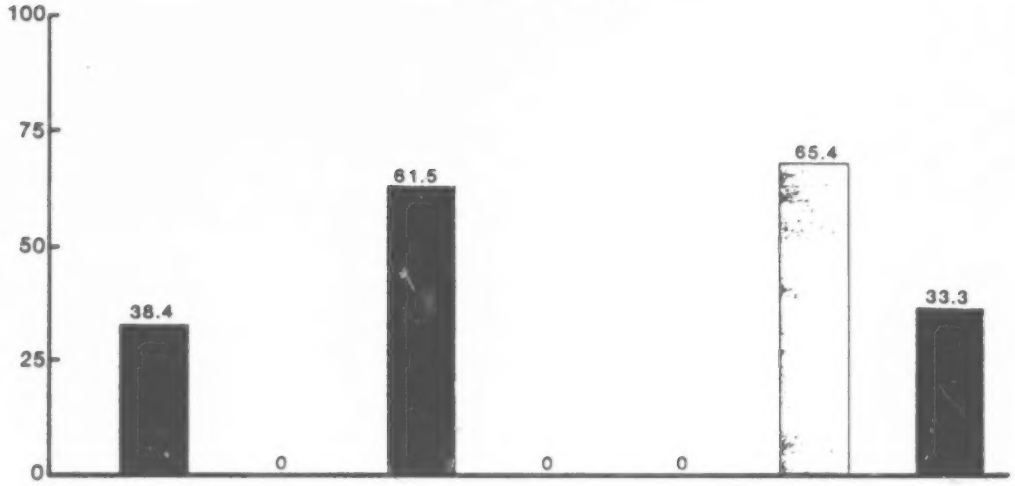
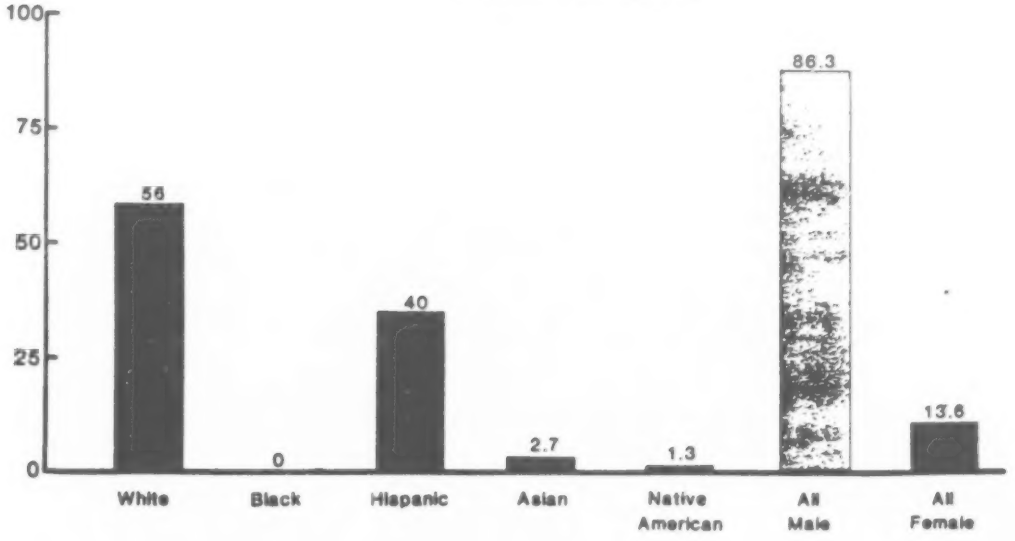


TABLE II A

EXECUTIVE/MANAGERIAL
ETHNICITY AND SEX



ETHNICITY AND SEX OF FULL-TIME FACULTY
BY RANK AND TENURE

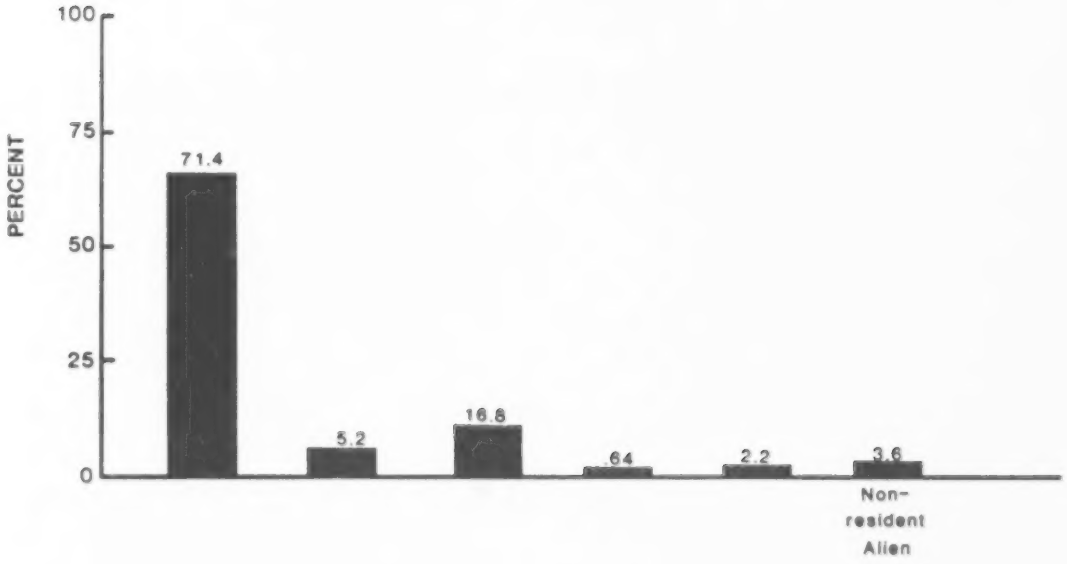


EASTERN NEW MEXICO UNIVERSITY

1983

TABLE III

STUDENT ETHNICITY



ETHNICITY AND SEX OF FULL-TIME EMPLOYEES EARNING $30,000 AND OVER

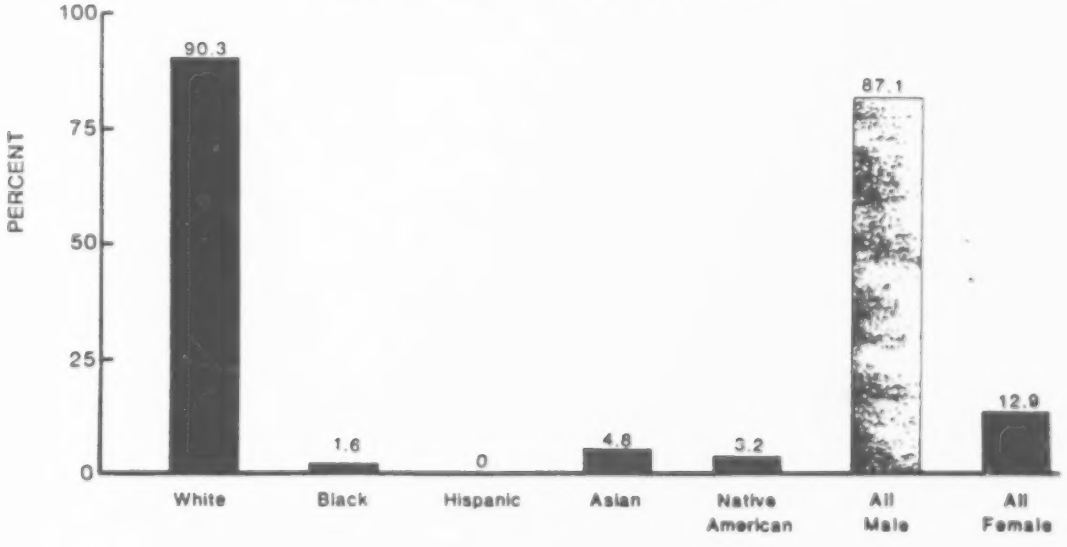
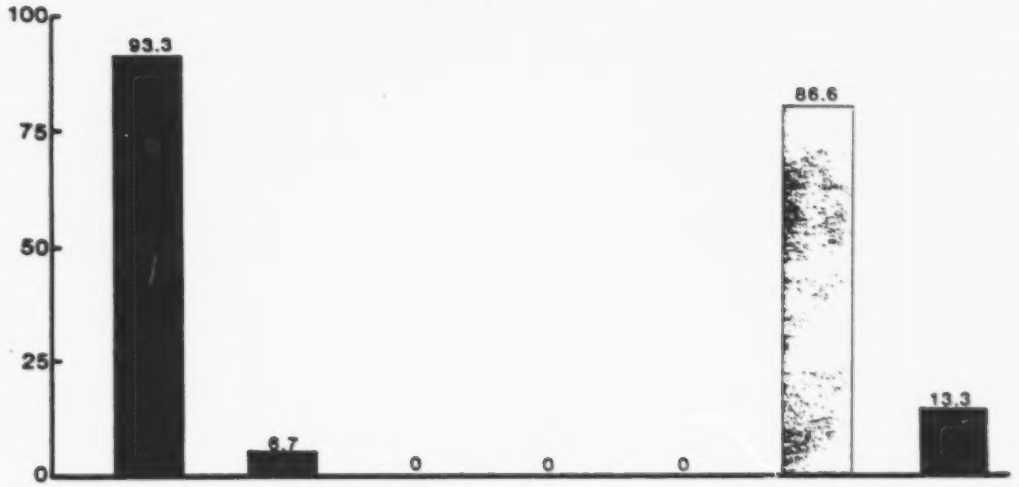
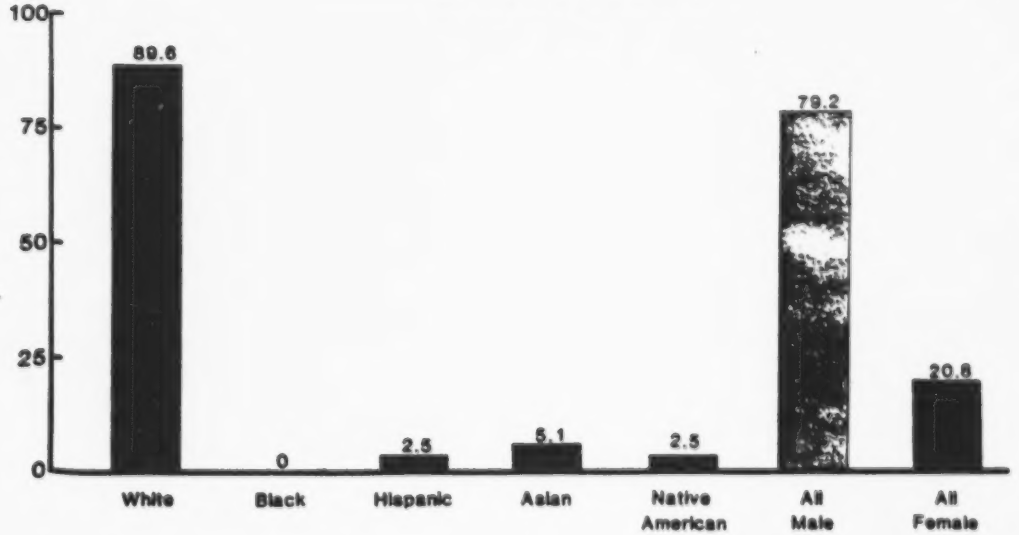


TABLE III A

EXECUTIVE/MANAGERIAL
ETHNICITY AND SEX



ETHNICITY AND SEX OF FULL-TIME FACULTY
BY RANK AND TENURE

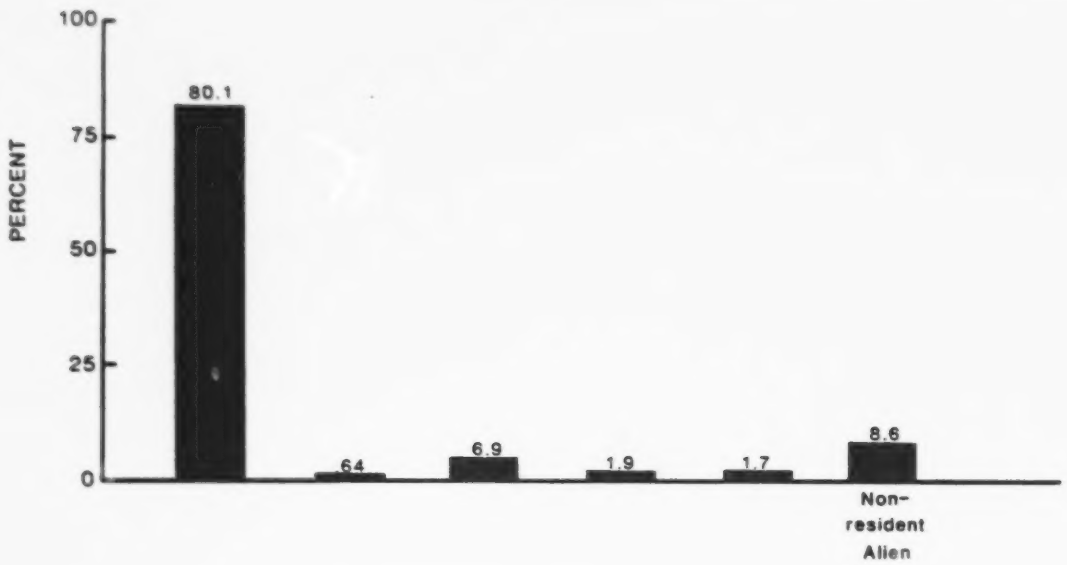


NEW MEXICO INSTITUTE OF MINING AND TECHNOLOGY

1983

TABLE IV

STUDENT ETHNICITY



ETHNICITY AND SEX OF FULL-TIME EMPLOYEES EARNING $30,000 AND OVER

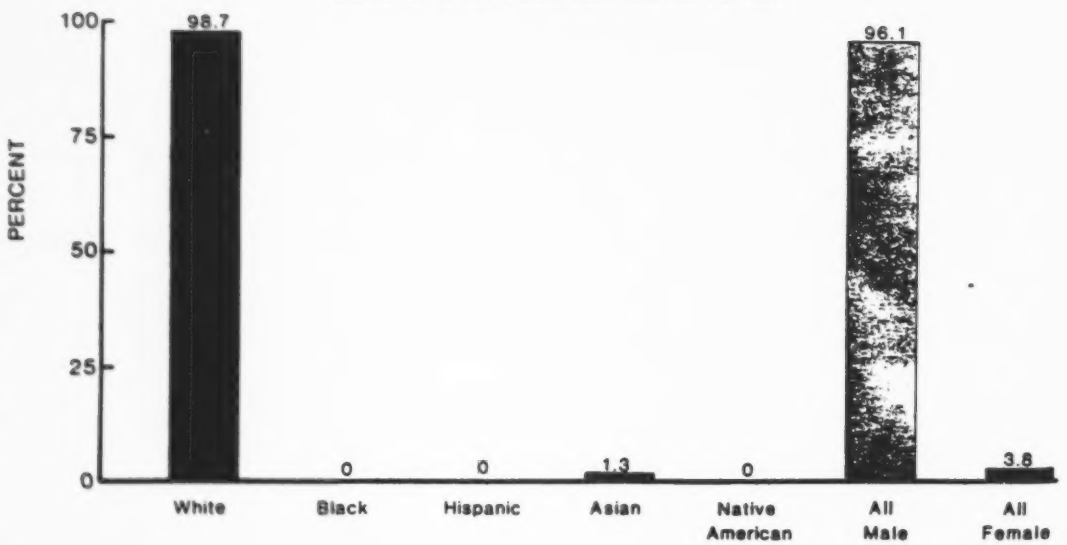
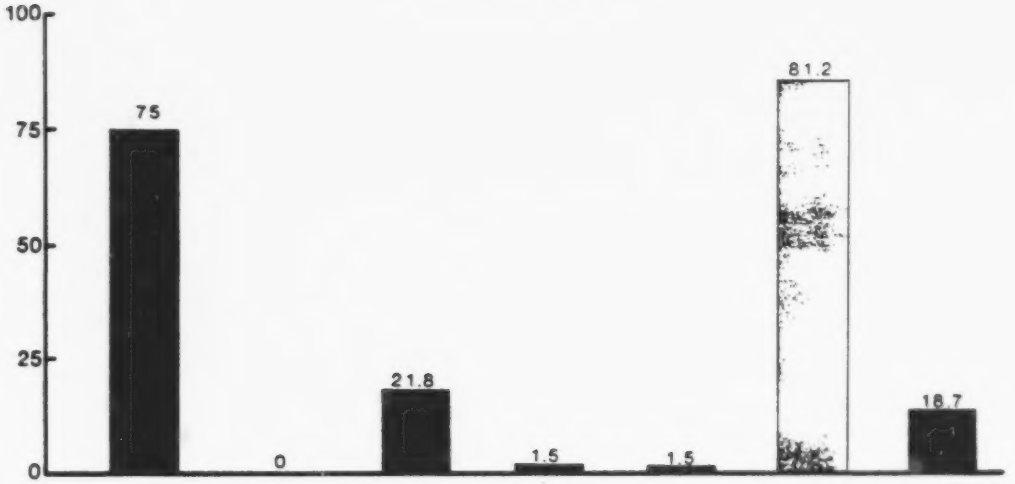
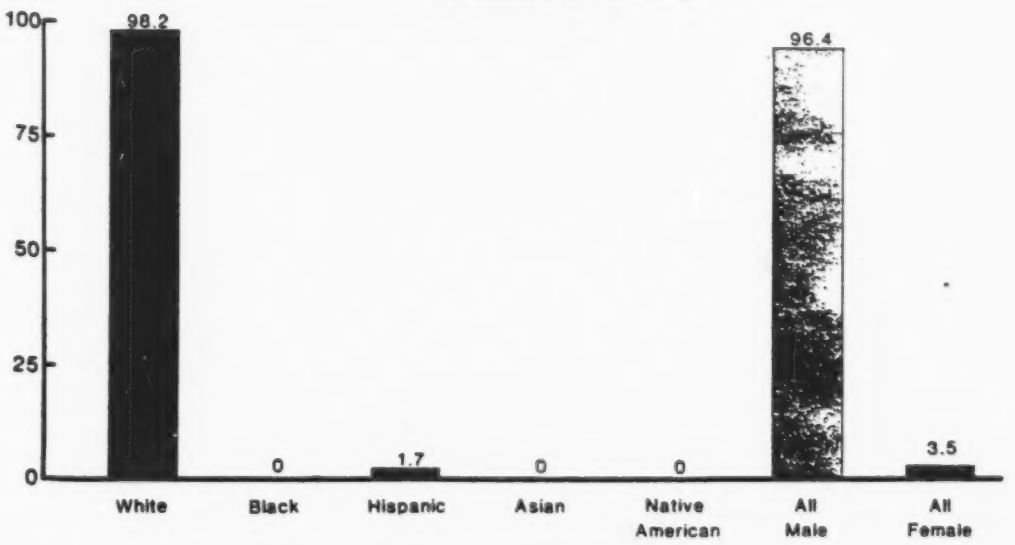


TABLE IV A

EXECUTIVE/MANAGERIAL
ETHNICITY AND SEX



ETHNICITY AND SEX OF FULL-TIME FACULTY
BY RANK AND TENURE

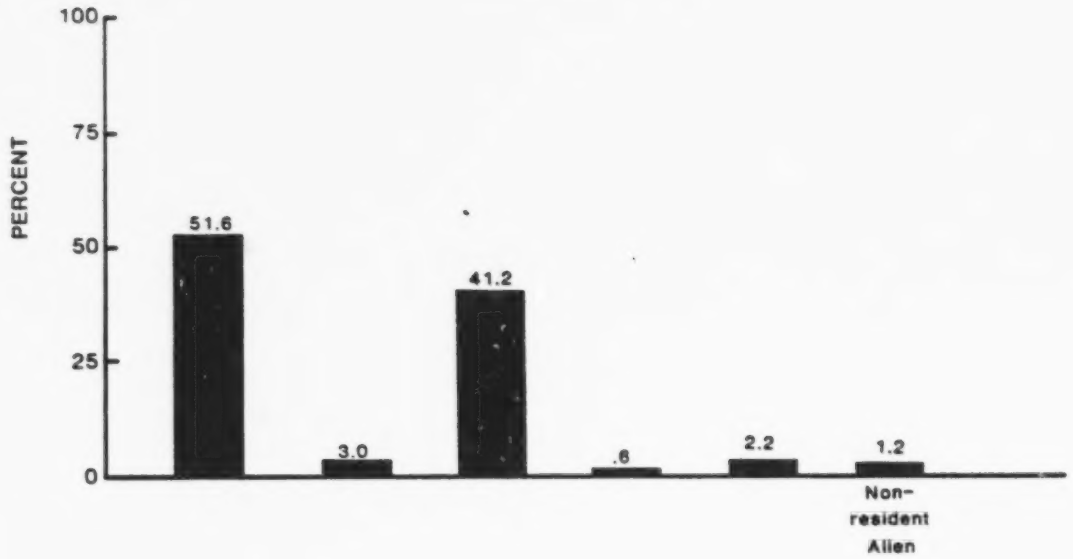


WESTERN NEW MEXICO UNIVERSITY

1983

TABLE V

STUDENT ETHNICITY



ETHNICITY AND SEX OF FULL-TIME EMPLOYEES EARNING $30,000 AND OVER

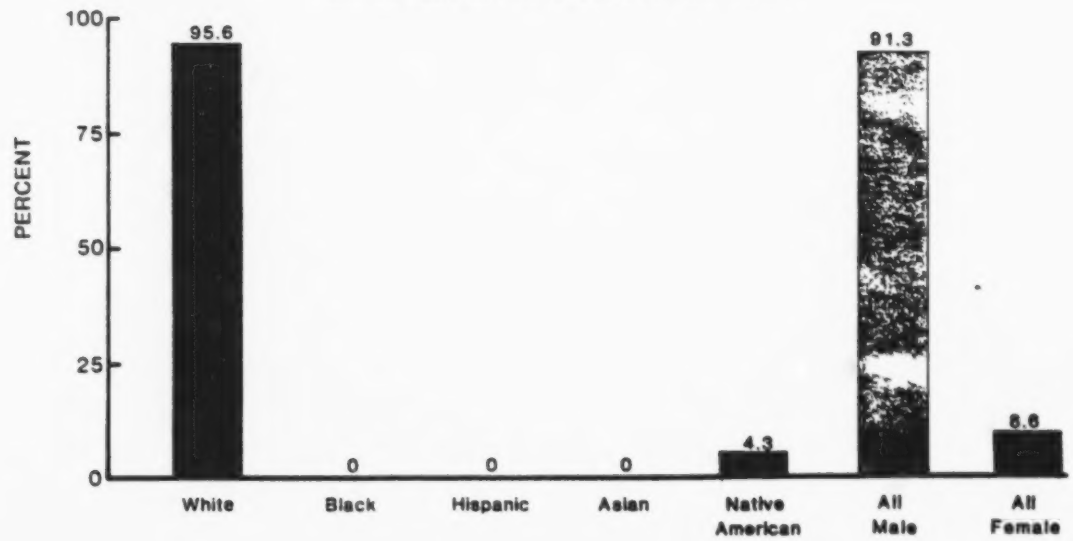
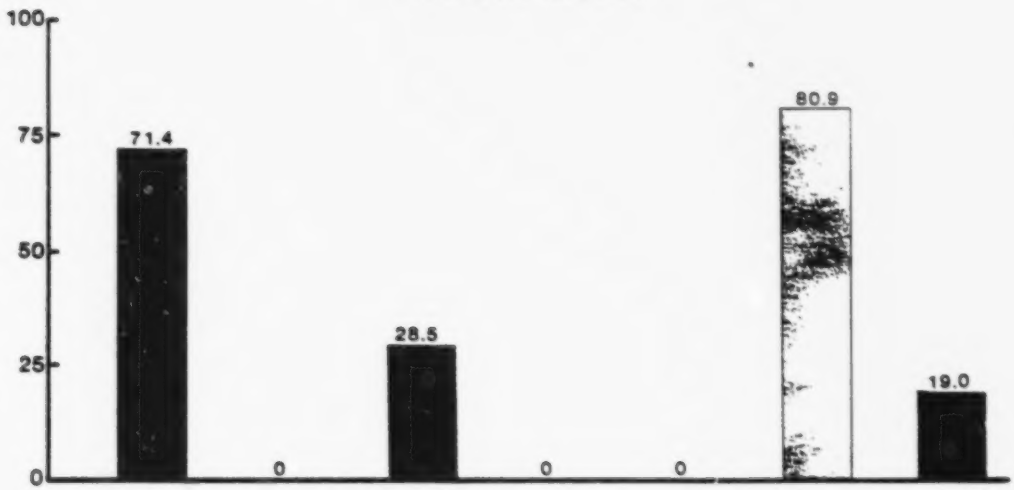
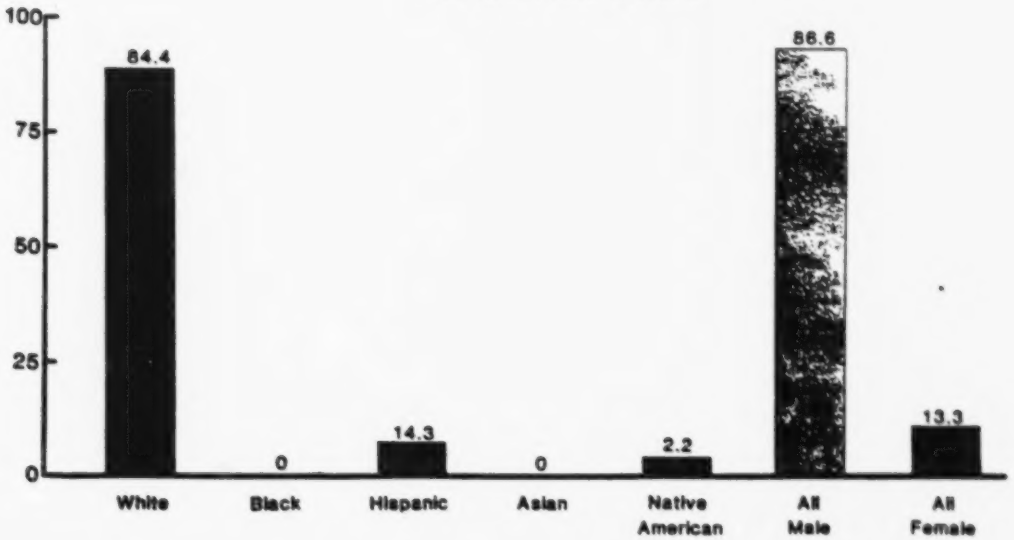


TABLE V A

EXECUTIVE/MANAGERIAL
ETHNICITY AND SEX



ETHNICITY AND SEX OF FULL-TIME FACULTY
BY RANK AND TENURE

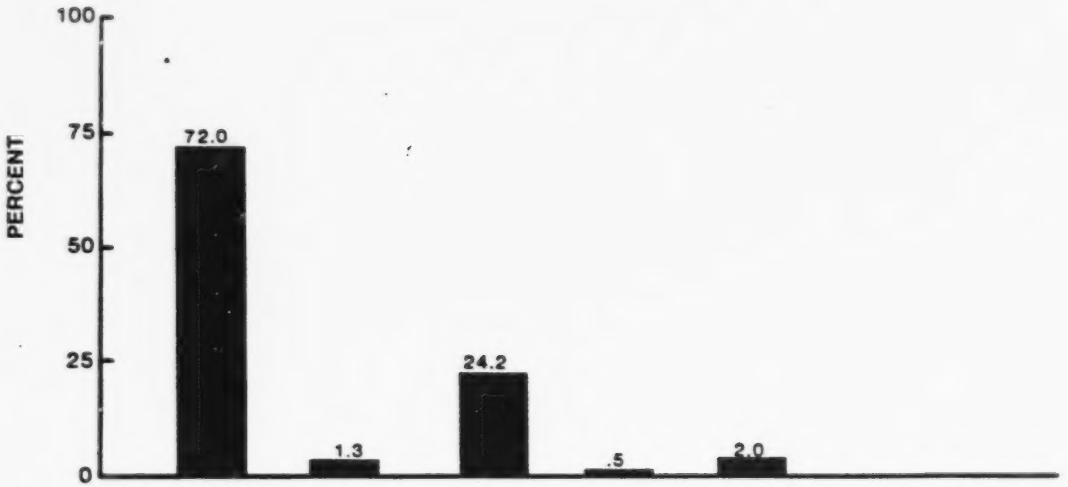


NEW MEXICO STATE UNIVERSITY

1983

TABLE VI

STUDENT ETHNICITY



ETHNICITY AND SEX OF FULL-TIME
EMPLOYEES EARNING $30,000 AND OVER

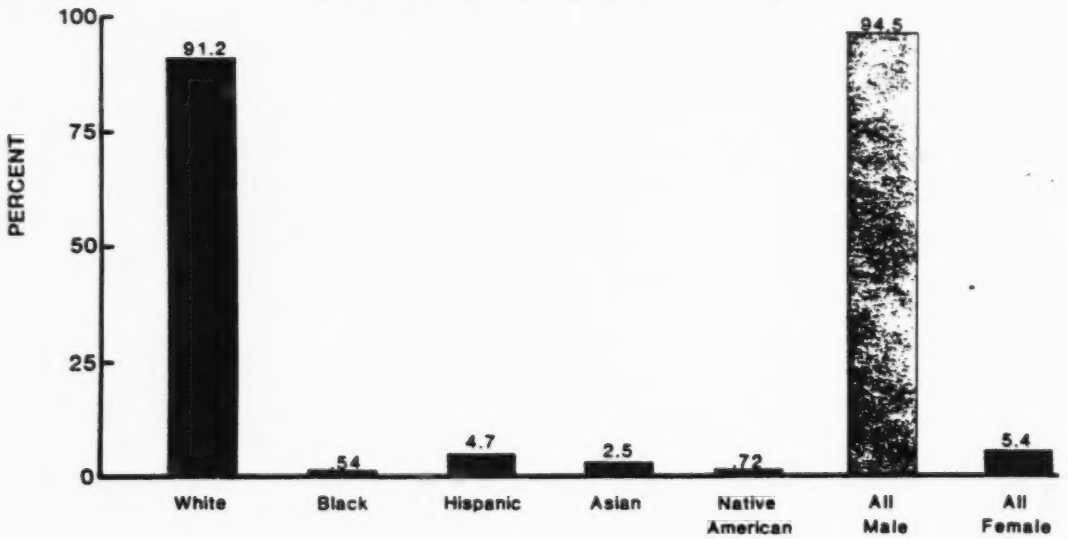
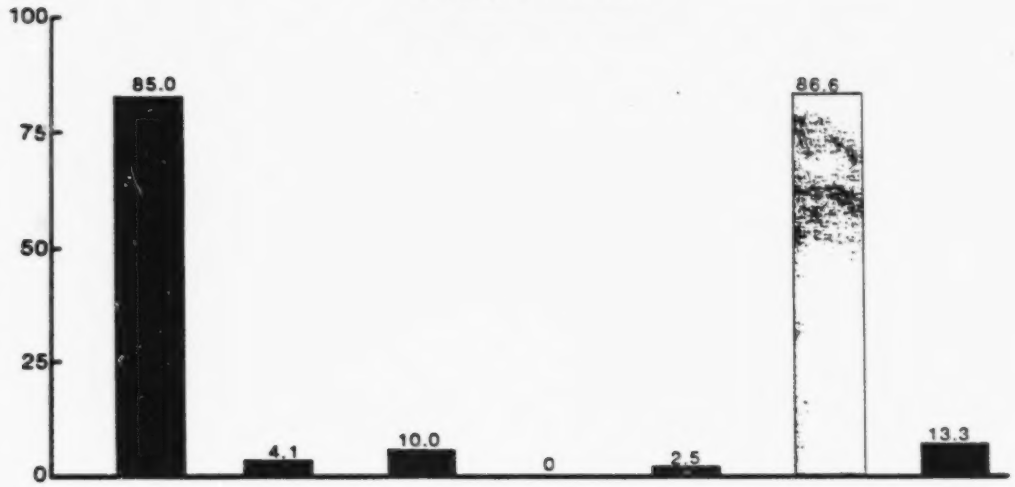
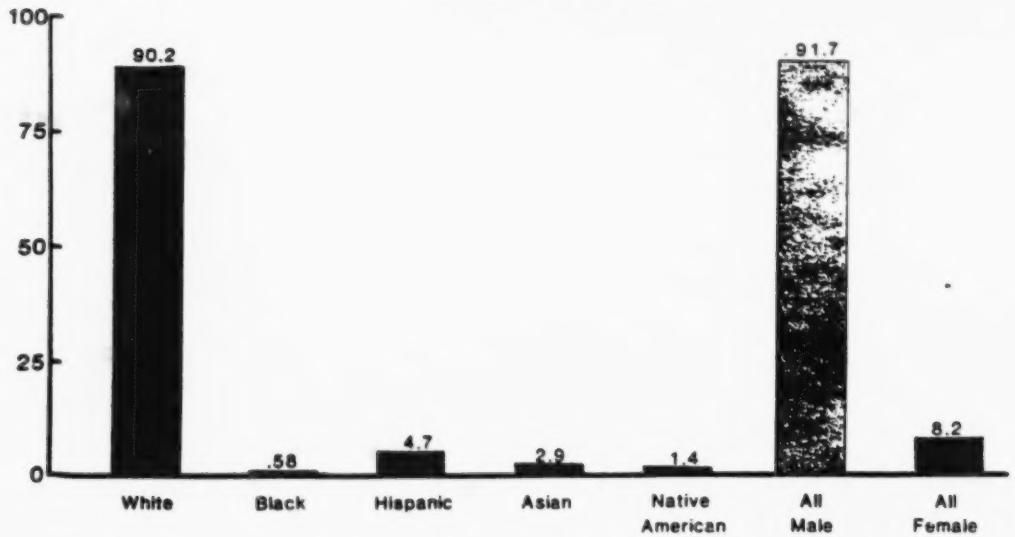


TABLE VI A

EXECUTIVE/MANAGERIAL
ETHNICITY AND SEX



ETHNICITY AND SEX OF FULL-TIME FACULTY
BY RANK AND TENURE

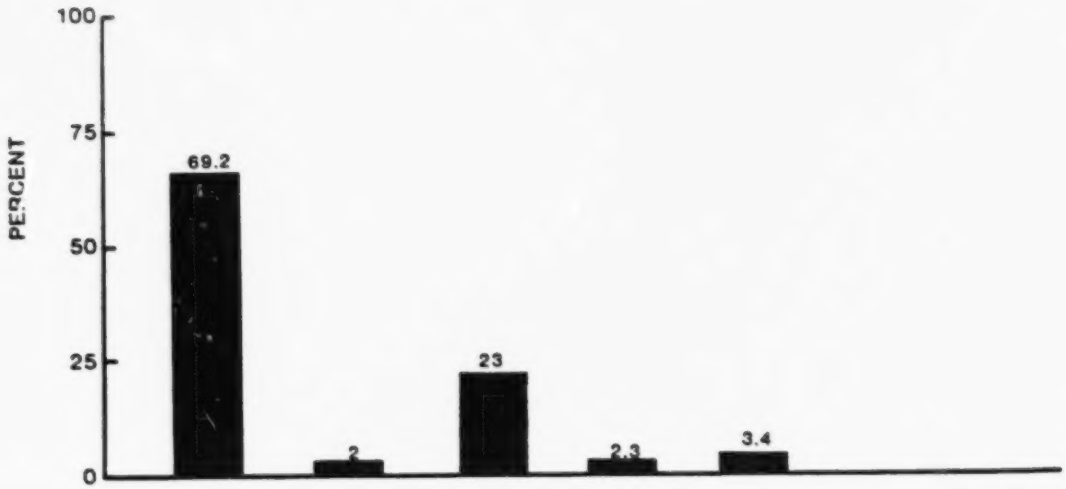


UNIVERSITY OF NEW MEXICO

1983

TABLE VII

STUDENT ETHNICITY



ETHNICITY AND SEX OF FULL-TIME
EMPLOYEES EARNING $30,000 AND OVER

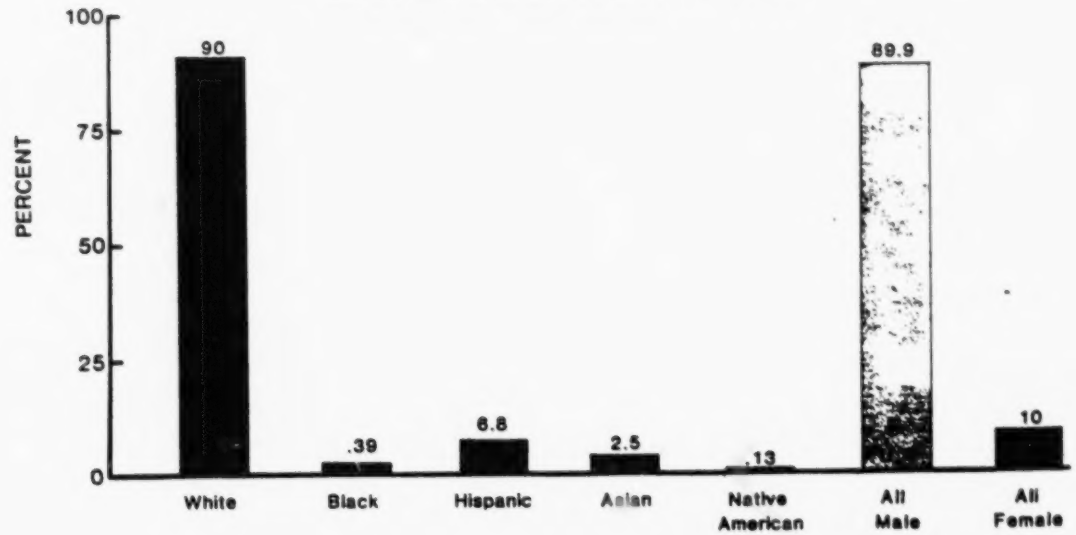
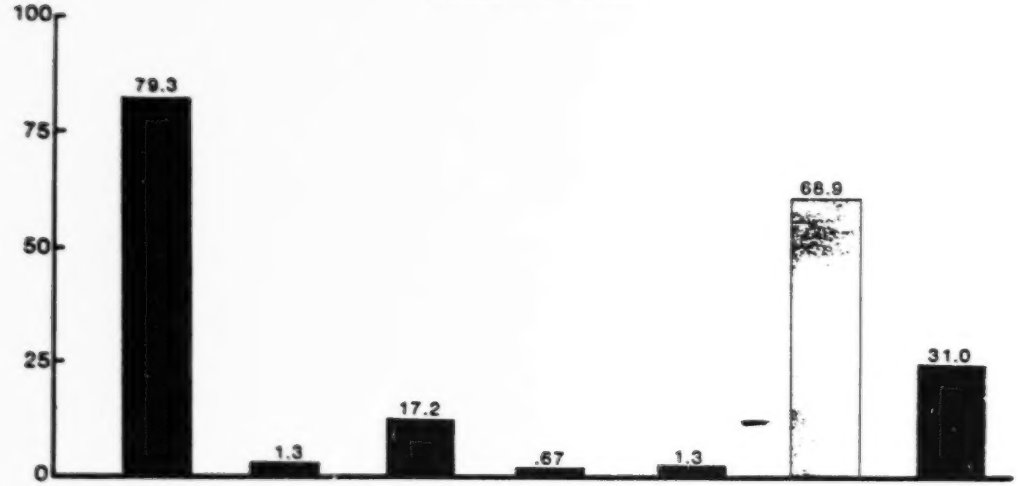
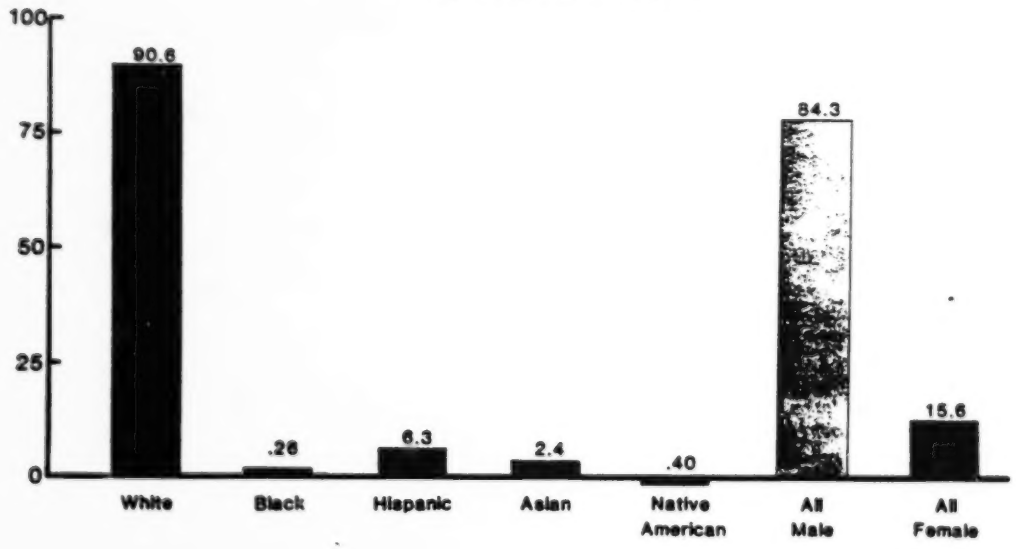


TABLE VII A

EXECUTIVE/MANAGERIAL
ETHNICITY AND SEX



ETHNICITY AND SEX OF FULL-TIME FACULTY
BY RANK AND TENURE



SECTION SIX
ECONOMIC DEVELOPMENT

In his presentation to the Task Force at its Albuquerque public hearing, Dr. Aims McGuinness of the Education Commission of the States reviewed efforts of other states to reform their systems of higher education. He noted that a common theme in those states has been an effort to create further ties between economic development and higher education.

The quality of economic development efforts and the quality of higher education in any state are inextricably tied. Both are driving forces that can ensure a certain quality of workforce, quality of economic well-being and quality of life to move a state into a future of greater prosperity.

It is a widely known fact that states have a great deal to lose if undergraduate basic skills are not being acquired by their citizens. Advances in technology (in traditional industries as well as in new technology-based industries) have meant expansion in the number of specialized occupations. New Mexico institutions must be prepared to educate citizens for the high demand fields. They must also participate in the development and implementation of research and development for those fields.

Over the past three and one-half years, New Mexico has made great strides in advancing the ties between economic development and higher education, pushing the development of the Rio Grande Research Corridor to enhance research and development efforts along and outside the corridor.

CENTERS FOR TECHNICAL EXCELLENCE

The state has initiated five Centers of Technical Excellence at the three major research institutions. All five of these centers have attracted world class directors and they have assembled renowned Technical Advisory Committees that function to develop research strategies and focus. They have also developed strong Industrial Affiliates Programs.

The centers have received more than $18.5 million in outside funding, with an additional $40-50 million pending review or final approval. Several highly specialized, highly recognized research and development organizations have relocated near some of the centers and the potential benefit over the next five years is projected to be $40-50 million in capital investment and 200-300 employees.

The Technological Innovation Program and the Technological Innovation Centers have assisted in the start-up of 36 new companies with a capital investment of more than $5 million. While experiencing successes, there are several areas in which improvements can be made.

When the Centers of Technical Excellence and Technological Innovation Centers were initiated, the Governor's Technical Excellence Committee recommended a five-year funding commitment at a base yearly funding level of $5.4 million. The Governor and the Legislature agreed that at least $7 million per year funding for at least four years would be necessary. Since the initial commitment to this endeavor, the centers have not received a consistent base budget, which will make it more difficult for them to succeed and become self-sufficient within the anticipated time frame.

With the declines in the oil and gas industries, an effort should be made to increase ties between higher education and the economic development of the state. The state must recognize that the presence of a strong university research and teaching base is crucial to economic development. New Mexico should develop a network with the business sector, the federal sector and the educational community to leverage all of our resources for improved education and economic development.

The state has numerous resources it can tap to connect its institutions of higher education with economic diversification and development efforts. The steps already taken have placed New Mexico in a leadership position in the region and in the nation with respect to our focus on the development of excellence in the high demand, high technology fields. The state may begin to lag behind other states if it does not increase and strengthen its commitment to existing programs and add new elements to its overall strategy.

The Centers of Technical Excellence are experiencing growth and success, but a firm commitment should be made if they are to succeed and become self sufficient. The state must ensure that the administration of the centers is sound, and it should focus on the work of the existing centers rather than creating any more. The final year of funding should, at a minimum, reflect the state's strong commitment to existing centers.

Recommendation

26. CENTERS FOR TECHNICAL EXCELLENCE. The state's financial commitment to the Centers of Technical Excellence should continue and the Science and Technology Commission should continue its strong commitment to ensuring proper administration of the centers.

BUSINESS AND MANPOWER TRAINING NEEDS

There are two major approaches to linking education and entrepreneurship. One is through formal teaching of entrepreneurship as a career option in the institutions and the other is to assist entrepreneurs directly in developing viable business plans and solving technical problems.

Small business entreprenuers are at the very core of the state's economic development and diversification efforts. Better long-range planning by government, industry and institutions of higher education is needed to reduce the impact of fluctuations in the supply and demand for high technology manpower.

The two plus two technical preparation associate degree program introduced by Dr. Dale Parnell is designed to be flexible enough to meet a variety of student, institutional and community needs. It is a step beyond the current and usually cosmetic high school-college partnership arrangements into substantive program coordination.

The program seeks a middle ground that blends the liberal arts with practical arts without diluting the BA degree-college prep track. The program's targets are the middle quartiles of the typical high school student body in terms of academic talent and interest and the mid-range of occupations requiring some post high school education and training, but not necessarily a BA degree.

Every effort should be made to meet the immediate needs of manpower for existing business and industries that want to relocate within the state. There should be no doubt that the universities will address the needs of industries that are located within their communities. Industry is also a valuable source of teachers and equipment for the universities. In addition, strong connections should be made with our federal laboratories and installations to ensure that a full network is in place.

Recommendations

27. EMERGENCY TRAINING. The 1987 Legislature approve the creation of a $500,000 Emergency Economic Development Training Fund as part of the Development Training Act, to be used by two-year institutions to respond quickly to the immediate manpower needs of existing and new businesses. The Development Training Act should be amended to provide for involvement by the Commission on Higher Education in the administration of the program.

28. REGIONAL NETWORKS. Legislation should be introduced requiring each institution or groups of institutions to

establish Regional Networks with the business and federal sectors. The
regional networks must develop a Manpower and Facilities Registry that identifies the available business, economic development and educational needs and resources of communities in each region. The Commission on Higher Education must produce a consolidated statewide registry.

29. "TWO PLUS TWO" PROGRAMS. The two-year institutions should work with the Department of Education and the school districts in establishing effective "two plus two" programs. In particular, the "Principles of Technology" Program is recommended for use by school districts.

ENHANCEMENT OF HIGH DEMAND DEGREES

Recent studies have indicated that the quality of science, engineering and other technological programs provided by colleges and universities may be deteriorating. This is attributed to three major factors: shortages of top quality faculty; inadequate facilities and equipment for teaching and research programs; and declining resources for support staff. What is needed is a major effort to enhance the stature of high technology and other degrees which have a direct connection and impact on economic development.

Many of the efforts that can be undertaken to enhance the stature of degrees in the high demand fields can be done with some nominal costs. For example, New Mexico has vast human and other resources within our federal laboratories and the private sector that can be tapped.

Sharing of resources such as coursework should be pushed as an innovative mechanism for the delivery of education. Furthermore, other methods such as utilization of new instructional techniques will not only enhance the stature of our quality high demand degrees, but will also help the Commission on Higher Education focus on duplication of programs and poor quality programs.

ENHANCEMENT OF HIGH QUALITY RESEARCH

The state should develop a mechanism to reward the high quality research that is being undertaken at the universities. Currently, the state has 43 research and development organizations, 41 of which exist within the three major research universities. They have established a wealth of talent within New Mexico for research and development.

This research is too often not fully identified and the benefits from it go unnoticed. Once high quality research is acknowledged and a process is developed to ensure enhancement of such research, the state should provide mechanisms for the transfer of this research and any ensuing technological developments to the private sector, thereby connecting the two.

Recommendation

30. TECHNOLOGY TRANSFER REVIEW. The Economic Development and Tourism Department, in coordination with the postsecondary institutions should develop a Technology Transfer Review Program to provide the necessary evaluation of research to ensure that quality research gets the use and recognition it deserves.

INDUSTRIAL PARKS

Industrial parks have become a very important component in the connection between institutions and industrial development. The state and the institutions should make every effort to develop mechanisms to ensure the successful development of industrial parks.

The institutions should be encouraged to develop a public-private partnership for the development and operation of each individual park. The focus in the near future should be to emphasize the work and research of the Centers for Technical Excellence with industrial parks.

Each institution planning the development of an industrial park should study the private versus the public competition question in each region and minimize that competition where possible. All revenues derived from industrial park development should remain with the institution to be used at its discretion.

Recommendation

31. INDUSTRIAL PARKS. Institutions of higher education should be encouraged to develop industrial parks through public-private partnerships.

SECTION SEVEN
CAPITAL OUTLAY

Until a few years ago the funding of capital outlay projects for higher education in New Mexico was done in a relatively relaxed atmosphere. The state's financial condition was well and thriving. Federal grant funds were flowing to the state and were available to assist in paying for major local capital improvement projects.

The state's three major capital outlay funding sources, General Fund revenues, General Obligation Bonds and Severance Tax Bonds all either had substantial balances on hand or had the bonding capacity available to meet the necessary statewide capital outlay needs of that year.

Unfortunately, the situation has changed. In addition to federal budget cuts that have seriously impacted New Mexico, the state's own finances are not as stable as they once were.

Lower oil prices as well as decreased mining activity have reduced the state's income from energy sensitive revenue sources. The combination of these two developments has put pressure on both the state's operating budget and the capital budget. Consequently, the realities of this changing environment have made it mandatory for the state as a whole to review priorities and to develop reasonable and functional systems for careful long-range capital outlay planning and budgeting.

CAPITAL OUTLAY FUNDING SOURCES

General Fund

New Mexico has traditionally funded many capital projects from the unappropriated surplus of the General Fund. The passage of the "Big Mac" tax cut in 1981 and the deteriorating energy market after 1981 resulted in substantially slower growth in recurring General Fund revenues.

The current fiscal year began with a balance of only $21.9 million in the unappropriated surplus. In light of the projected revenue shortfall, the unappropriated surplus was not available for capital outlay appropriations this year and is not expected to be used as a capital outlay funding source in the near future.

General Obligation Bonds

In contrast with other states, New Mexico has made very little use of General Obligation Bonds (G.O. Bonds). G.O. Bonds have been used exclusively for "constructing, purchasing, equipping and building and purchase of land" for state educational institutions.

Use of G.O. Bonds for funding capital projects is authorized by Article IX, Section 8 of the New Mexico Constitution. It limits total indebtedness to one percent of total assessed statewide valuation.

In December 1985, the Taxation and Revenue Department estimated the 1985 taxable value of New Mexico property at just under $10.2 billion. With the $64 million outstanding debt after the 1985 legislative G.O. Bond appropriation, the 1986 Legislature was left with about $37 million for projects from a G.O. Bond issue. The Legislature authorized $35 million for public school and higher education projects that will be on the November 1986 election ballot. If approved by the public, very little if any G.O. Bond capacity will be left for future years.

Severance Tax Bonds

Since 1977-78, almost $800 million in Severance Tax Bonds (S.T. Bonds) have been issued. The heavy reliance on these bonds has continued despite a less favorable picture for severance tax revenues. Because the General Fund income is insufficient this year to even finance operating expenses and because the G.O. Bond capacity is all but used up, S.T. Bonds remain the primary, but very limited, source for funding capital outlay.

CAPITAL OUTLAY RESPONSIBILITIES

Currently, two organizations in state government have responsibilities tied to capital outlay planning and budgeting for higher education. They are the Department of Finance and Administration and the Commission on Higher Education. The following are the authorities and some of the capital outlay responsibilities of these two agencies.

Department of Finance and Administration

This department is responsible for acquiring, studying and reviewing all plans for capital projects proposed by state agencies and for rendering advice on the plans. It is also

required to maintain long range estimates and plans for capital projects and develop standards for measuring the need for, and utility of, proposed projects. Specifically, Article 4, "Capital Programs and Revenue Funds" of NMSA reads:

"A. The Department of Finance and Administration and the General Services Department shall jointly prepare, amend and maintain a four-year program of major state capital improvement projects recommended to be undertaken by the state or to be undertaken with state aid or under state regulation. The program shall classify projects with respect to urgency and need for realization, and it shall recommend a time sequence for construction. The program shall also contain the contract price and estimated costs of each project and it shall indicate probable operating and maintenance costs and probable revenues, if any, as well as existing sources of funds or the need for additional sources of funds for the construction and operation of each project.

"B. Heads of departments and other agencies of the state shall transmit to the Department of Finance and Administration on July 1 of each year a statement of all capital projects proposed for the ensuing four years for review and recommendation to the Governor with respect to inclusion in the capital program of the state."

The Department of Finance and Administration has a formalized capital planning and budgeting process designed to comply with these statutory mandates. The process has components that deal with statewide capital outlay planning for a five-year period, mechanisms for review and analyzing of proposed capital project needs, as well as screening and prioritization mechanisms which help develop the Governor's capital outlay package.

In 1984, the first Capital Improvement Plan (CIP) was presented to the Legislature. It contained the Governor's capital budget request for that year. Other CIPs have been produced since then, each one expanded to include more data regarding the current financial environment and identified capital outlay needs of the state.

Commission on Higher Education

The Commission on Higher Education was established in 1951 to deal with the problem of financing educational institutions designated in Sections 11 and 12 of Article XII of the Constitution. Specifically, Section 21-1-26, NMSA 1978, charges:

"The board shall be concerned with the adequate financing of each of said institutions and with the equitable distribution of available funds among them. The board shall

receive, adjust and approve the budgets submitted by the several institutions prior to the submission of said budgets to the budget officers of the state and shall exercise such other powers as may hereafter be granted by law."

A more recent and major responsibility of the Commission resulted from requests by legislative committees that the Commission receive capital outlay requests from each of the institutions, develop a mechanism for analyzing the requests relative to need, and make capital outlay recommendations to the Legislature in priority order.

As a result, the Commission first presented a unified capital budget request package with facility recommendations for all institutions of higher education to the 1982 legislative session and has been presenting yearly recommendation packages since that time.

Local Institutions

While the Department of Finance and Administration and the Commission on Higher Education coordinate and administer the necessary capital outlay planning and budgeting programs at the state level, the individual higher education institutions throughout the state are responsible for guiding the decision making process at the local level. Some of their responsibilities are directed by statute while others are regulated by the respective boards.

The current financial climate of the state does not suggest a bright future for higher education capital outlay funding. The tight economic situation has required state government to start looking at capital outlay funding options in a more conservative manner. Efforts must be made to cope with higher education capital outlay needs and priorities in a different way than in the past.

In attempting to address the funding problem, a significant amount of review and analysis must be done not only statewide, but within each institution of higher education. During this review and analysis period it is imperative that a formalized capital outlay planning activity be undertaken that will address the following issues:

Where are we in terms of current capital outlay planning and budgeting; where are we going and where do we want to go; what do we have in the current capital outlay inventory; what is needed to meet program needs; and where are the sources to fund them?

These are only the basic issues that need to be addressed by everyone concerned in determining the direction of higher education capital outlay. Much of the authority and many of

the mechanisms needed to accomplish a capital outlay planning activity are already in place through the Commission on Higher Education and the Department of Finance and Administration.

Generally, state government coordinating mechanisms are in place to deal with the outstanding issues. What is needed is some fine tuning of existing guidelines and procedures and consistent and diligent implementation of the guidelines.

Recommendations

32. MASTER PLAN. Institutions of higher education should develop a five-year master plan to comply with Section 6-4-1B NMSA 1978 to include an inventory of facilities, space utilization and maintenance requirements.

33. STANDARDS REVIEW. Present institutional and Commission on Higher Education standards should be reviewed to determine if they are rigorous enough to apply to new construction projects.

34. FUNDING OPTIONS REVIEW. All available funding options for capital outlay should be analyzed and reported by the Commission on Higher Education by 1988.

TABLE I
STATE GENERAL OBLIGATION BOND SALES

LEGISLATIVE AUTHORIZATION	APPROVAL BY ELECTORATE	AMOUNT (in millions)	COMMENTS	PURPOSE
1986	On ballot Nov. 1986	$35.0		General improvements for higher educational institutions, et al
1984	Nov. 1984	$64.0	1 sale in 1985	General improvements for higher educational institutions, et al
1975	Nov. 1976	$25.0	$5 million issuance each year from 1977 through 1981	General improvements for higher educational institutions, et al
1972	Nov. 1972	$10.0	$2 million issuance each year from 1973 through 1977	Library improvements for higher educational institutions, et al
1965	Nov. 1966	$42.5	5 Serial issuances (from 1967 through 1975) in varying amounts (between $6 and $10 million)	General improvements for higher educational institutions, et al
1963	Nov. 1964	$ 8.0	1 sale in 1965	General improvements for higher educational institutions, et al

TABLE II

CAPITAL OUTLAY
HIGHER EDUCATION FUNDING
1982 - 1986

A large block of the funding earmarked for capital outlay improvements in the last five years was directed toward the higher education faction. The following table outlines the total capital outlay appropriations for each of the respective years and parallels the portion of funding targeted to higher education.

Capital Outlay Appropriations 1982 - 1986
(Dollars in Thousands)

	1982	1983	1984	1985	1986
Total Capital Outlay Appropriations & Reauthorizations	111,696.6	182,139.9	209,257.0	174,706.0	115,839.5
Higher Education Appropriations	25,715.0	43,475.8	57,359.6	12,837.4	33,122.5
Higher Education %	23%	24%	27%	7%	29%

A detailed breakdown of the specific higher education projects are listed in TABLE IIB. The projects are listed by university and then by year for each of the past five years.

As can be seen from the table, higher education has continually received approximately one-fourth of the total capital outlay appropriations for each of the years from 1982 thru 1984. Funding authorized during the 1985 legislative session dropped considerably, but picked up again during the 1986 session. The average percentage for the two years (85 & 86) is 18% which indicates a decrease in the established funding pattern for higher education for that period. It can also be noted by the table, that the total statewide capital outlay appropriations have progressively been declining over the last three years -- a trend resulting from the deteriorating economic condition.

DFA 5/14/86

TABLE IIA
CAPITAL OUTLAY APPROPRIATIONS
HIGHER EDUCATION - 1982 through 1986

INSTITUTION	1982	1983	1984	1985	1986	Total
ENMU	200,000	240,000	2,445,700	1,035,000	4,791,000	
Clovis	1,600,000	365,544	1,731,400	-0-	1,550,000	
Roswell	3,850,000	3,763,507	2,216,300	-0-	2,376,500	26,164,951
NMHU	1,240,000	6,264,000	1,676,100	100,000	821,000	10,101,100
NMIMT	1,000,000	1,720,000	7,468,200	545,700	4,447,000	15,180,900
NMJC	-0-	447,754	34,600	-0-	3,000,000	3,482,354
NMMI	-0-	410,341	-0-	-0-	-0-	410,341
NMSU	5,600,000	6,750,000	13,042,700	-0-	4,691,000	
Alamogordo	-0-	334,285	2,001,400	50,000	250,000	
Carlsbad	-0-	260,937	34,600	-0-	1,200,000	
Grants	1,125,000	227,954	34,600	-0-	-0-	
Dona Ana	-0-	268,813	1,372,600	-0-	-0-	37,243,889
NNMCC	-0-	2,391,142	396,600	230,000	2,750,000	5,767,742
SFCC	-0-	-0-	1,034,600	5,000,000	900,000	6,934,600
San Juan	-0-	2,429,540	64,600	1,198,500	455,000	4,147,640
UNM	8,400,000	12,952,000	12,199,300	2,000,000	4,000,000	
Med. Ctr.	-0-	-0-	750,000	1,940,000	500,000	
Gallup	-0-	2,811,148	439,600	-0-	141,000	
Los Alamos	-0-	640,261	434,600	378,200	-0-	
Valencia	-0-	495,585	2,520,500	-0-	-0-	50,602,194
WNMU	2,700,000	703,000	161,600	360,000	250,000	4,174,600
STATWIDE						
Tech Ex Ctr			3,300,000		1,000,000	
Sci & Engr Eqmt			4,000,000			8,300,000
TOTAL	25,715,000	43,475,811	57,359,600	12,837,400	33,122,500	172,510,311

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SECTION EIGHT
FUNDING ISSUES

Institutions of higher education in New Mexico receive their state funding for operations through a funding formula, called the Instruction and General (or I&G) formula. This formula is used by the Commission on Higher Education to make recommendations to the Governor and the Legislature on annual expenditure levels and appropriations for the universities. (A similar formula calculates resource needs for the two-year institutions.)

The institutions, Commission on Higher Education, the Department of Finance and Administration, and the Legislative Finance Committee, worked together in the original development of the formula and the formula adjustments that have been made since then. For those functions covered by the I&G formula, institutions do not submit annual budget requests but rely on formula calculations to recognize workload changes and automatically project appropriate funding levels.

Institutional funding requests for I&G activities are made only when they feel adjustments are needed in formula factors to reflect actual costs behavior more accurately.

The Commission on Higher Education is charged, by statute, with the responsibility for "the adequate financing of each of said institutions and with the equitable distribution of available funds among them." (21-1-26 NMSA 1978). Thus, part of the responsibility of the Commission on Higher Education as the state-level coordinating agency is to balance competing demands across the state for programs, access and resource support requirements within the framework of state-level priorities which will best serve the needs of New Mexico's citizens.

The funding formula assists the Commission on Higher Education in that process, at least to the extent that it attempts to project equity in funding among institutions. It does this by estimating comparable resource needs for comparable programs and by addressing any unique cost factors at institutions which must be taken into account in order to provide adequate program support. The I&G formula enables the Commission on Higher Education to provide one unified funding request for all the universities. It provides some assurance to the Governor and the Legislature that differing institutional resource requirements and competing resource desires have been addressed and that the Commission on Higher Education recommendations represent a statewide balance of higher education priorities and resource needs.

In addition to the recommendation of expenditure levels derived through the formulas, the Commission on Higher Education has historically made recommendations to the Governor and the Legislature regarding the levels of student tuition. In past years, the final tuition rates were established in the appropriations act.

But following the 1985 legislative session and the Governor's veto of tuition rates from the act, the Attorney General issued an opinion that the regents of institutions have the authority to set tuition. For this reason, the Commission on Higher Education changed its recommendations to a level of tuition for which credit should be taken in determining the general fund appropriation. This new approach allows each institution to set tuition as high as it believes the traffic will bear. Technically, an institution could set rates below those used by the Commission on Higher Education in determining the appropriation; however, to do so would reduce available funds.

During the 12-year period from fiscal year 1973-74 to fiscal year 1984-85 the percent that total tuition represents of total instruction and general expenditures has dropped from 20.1 percent to 13.7 percent. Thus, students are currently paying a smaller portion of the cost of their education than 12 years ago.

FORMULA ISSUES

The elimination of all graduate programs with the exception of education programs at regional institutions, the elimination of remedial education courses at the research and regional institutions with the exception of Western New Mexico University, and the imposition of more rigorous admissions standards will result in shifts of enrollment between institutions. Comprehensive modifications of the formulas, including determination and recognition of variable costs, should be based upon studies of enrollment patterns and actual historical costs. Extensive redefinition of mission and the resulting changes in enrollment patterns will significantly alter the formula base and the results of studies of current data. All these changes, if implemented, will need to be incorporated into the formula calculations to achieve meaningful results.

The current formula encourages institutions to chase the formula by retaining programs that are marginally viable and to offer new programs that are likely to produce excess funding. Institutions should be encouraged to offer programs for reasons other than the amount of funding they generate. Institutions should also be encouraged to reallocate resources to meet student demand, thus minimizing costs. This objective

is served well by formulas that are dependent upon enrollment as a measure of workload while the former is not. So long as formula funding is dependent upon enrollment, institutions will have some incentive to chase formulas. On the other hand, a funding formula that disregards enrollment patterns would provide no incentive for internal reallocation.

Recommendations

35. FORMULA REVISIONS. Major formula revisions should be developed and implemented to incorporate final reform measures.

36. PROGRAMMING OF SAVINGS BY INSTITUTIONS. Legislation should be introduced allowing institutions two years to reprogram savings derived from elimination of unproductive or duplicative programs.

STUDENT TUITION

Tuition policy in New Mexico changed beginning in 1985-86. Prior to that date the Legislature set the specific rate institutions had to charge for tuition. As a result of several events, a new policy developed which shifted the responsibility of setting tuition rates to the boards of regents. The state only takes credit for a given dollar amount.

The confusion and inability of institutions to do financial planning due to the uncertainty of rates has been exacerbated by the present policy. It is the Task Force's intention to provide an amount of certainty to institutional managers.

The Task Force also recognizes that its recommendations for community colleges are very substantive and far reaching and it feels that they will enhance student access to the two-year institutions.

Statistics indicate that 50 percent of all our high school graduates attend college and 10 percent of those, mostly the high ability ones, leave the state. Only 15 percent of our total student population attend our two-year institutions while most other states have a 40 percent of their student population in two-year schools.

It is difficult to assess all the reasons why our students do not attend the two-year schools, but the recommendations of this report will enhance the appeal of our two-year schools.

Local governance by an elected board, greater local involvement in financing and free tuition for the community

college system should go a long way toward opening the doors of community colleges to a greater number of New Mexico students.

Recommendation

37. STANDARDIZING TUITION. Annual tuition should be set by legislation as a percentage of formula instruction and general as follows: research institutions, 20 percent; regional institutions, 18 percent; Community Colleges, no tuition. Ten percent of the total tuition amount collected must be earmarked for the New Mexico Student Grant Program.

ENHANCEMENTS FOR REGIONAL AND RESEARCH INSTITUTIONS

The Legislature has not provided an increase for non-compensation costs in three of the past four years. The resulting decreases in purchasing power has had a negative impact on the quality of instruction. Library acquisitions have been inadequate and state of the art computers are not available for all areas of classroom instruction or support services. Some institutions have been unable to provide proper maintenance for equipment purchases for science, engineering and instruction programs with funds provided by the Legislature.

Salaries paid to faculty at New Mexico institutions are now approximately 12 percent below salaries paid by comparable institutions in other western states, based upon a peer salary analysis conducted last year jointly by the Board of Educational Finance (CHE) and the Legislative Finance Committee. This imbalance affects the quality of New Mexico institutions in two ways: it is more difficult to attract high quality faculty to New Mexico, and it is more difficult to retain faculty already employed. It is clear that if New Mexico wishes to maintain or improve the quality of its institutions, it must act quickly to remove this discrepancy.

In addition to the current shortfall which exists, faculty salaries are increasing in other states at an average of about six percent per year. This level of increase is an absolute minimum to prevent further deterioration.

In recognition of these two problems, the Task Force recommends that the current discrepancy in salaries be eliminated within a three year period. The base salary level in the funding formula should be increased by four percent per year for three years. In addition, annual salary increases should be provided that are at least equal to the regional average salary increase. This level of increase should be committed to as a matter of policy for the forseeable future.

New Mexico's higher education institutions are encouraged to search for other non-state sources of funding for

enhancements and the state should not take credit in its appropriations to the institutions for those new revenues.

Recommendation

38. ALLOCATION OF GENERAL FUND "SAVINGS". General Fund monies identified by this report should be utilized for the following purposes:

a. To improve the quality of education at the regional and research institutions, by allowing a four percent increase of formula salary dollars per year for three years to be utilized for recruitment, retention and other salary enhancements to the base. In addition, increases at least equal to the regional average salary increase (six percent in the first year) should be provided annually as a matter of state policy.

b. To enhance the resources needed by the regional and research institutions to support instructional activities, by allowing a nine percent of formula "other costs" to be utilized for general program support items.

c. To improve the quality of education at all our institutions by requesting that the Commission on Higher Education distribute $4 million dollars for the purchase of library materials, computers, and for equipment maintenance.

FINANCIAL TREATMENT OF OTHER REPORT RECOMMENDATIONS

Each of the following sections discusses a specific recommendation for redistribution of general fund revenues.

Graduate level instruction, except for graduate education programs, are recommended for elimination at the regional institutions. The amount of savings should be retained by these institutions to enhance their baccalaureate programs. Increases should be used to close the gap between faculty salaries and those of peer institutions and to generally enhance undergraduate programs.

The current instruction formula will be modified to accommodate this recommendation. Institutions that currently comprise the group known as "small institutions" should be separated. A new group will be formed consisting of Highlands, Western and Eastern universities. The lower and upper division factors for the regional institutions will be increased such

that an amount equal to the savings resulting from the elimination of graduate level instruction will be equitably redistributed based upon current undergraduate enrollment.

The total estimated savings and redistribution which will be phased over two years is $1.8 million. The formula factors will be increased by approximately four percent for compensation and nine percent for other costs in each of two years. New Mexico Institute of Mining and Technology will stand alone with the current set of small institution factors.

Branch institutions are supported by their main campus in the areas of student services and institutional support. When these institutions become independent they will require additional personnel, computer hardware and software and other costs to perform these functions.

In recognition of those additional costs, the Task Force has recommended that $1.7 million of the general fund savings be retained by the institutions to fund additional costs of independence. This amount represents an increase of 30 percent in the institutional support and student services formulas. The Task Force further recommends that the Commission on Higher Education monitor these additional costs and recommends additional adjustments as necessary.

The academic section of this report recommends that remedial education at four-year institutions be eliminated. The Task Force has recommended that the amount of general fund savings be set aside in a non-reverting reoccurring fund which the Commission on Higher Education will redistribute to two-year institutions to fund their remedial education enrollments.

Recommendation

39. COMMUNITY COLLEGE ADJUSTMENTS. The Commission on Higher Education should develop a process for funding remedial education at community colleges and for distributing $1,700,000 as the added cost of converting all two-year schools to community colleges.

COMMISSION ON HIGHER EDUCATION

The recommendations of the Task Force have a large impact on the responsibilities and the structure of the Commission on Higher Education. Issues that have been identified as needing analysis, study and coordination by the Commission must be handled with competence and in a timely way.

Present staffing at the Commission is simply inadequate to handle the tasks identified by this report. An automated data base must be developed to facilitate the analysis and decision making of the Commission. The following staff positions are recommended:

Assistant Director, Division of Community Colleges, $45,000;

Financial Specialist, Division of Community Colleges, $30,000;

Administrative Assistant, Division of Community Colleges, $17,000;

Program Specialist, $35,000;

Fringe Benefits, $26,000;

Associated supplies and expenses, computer use and travel, $147,000;

Total, $300,000.

Recommendation

40. **ADDITIONAL CAPACITY.** $300,000 should be appropriated to the Commission on Higher Education to carry out the responsibilities and tasks outlined in this report's recommendations.

TABLE I

Summary - Impact of Recommended Tuition Increases
Projected Amount of Funds Generated by Type of Institution

Institution Type:	Tuition Increase
Research	$6,459,000
Regional	$877,000
	$7,336,000

Footnotes: 1) Increases in tuition revenue result form increased rates which are sufficient to generate total tuition revenue equal to a fixed percent of formula expenditures as follows:

Research Institutions	20%
Regional Institutions	18%

TABLE II

Rate Impact of Tuition Increase

	Current Tuition Rates	Proposed Tuition Rates	% Tuition Increase
Research Institutions:			
Semester Rates:			
Resident Part-time	$25.00	$31.50	26.00%
Resident Full-time	$300.00	$378.00	26.00%
Non-resident Part-time	$135.00	$170.50	26.30%
Non-resident Full-time	$1,620.00	$2,046.00	26.30%
Academic year Rates:			
Resident Full-time	$600.00	$756.00	
Non-resident Full-time	$3,240.00	$4,092.00	
Amount Increase / Academic Year			
Resident Full-time		$156.00	
Non-resident Full-time		$852.00	
Additional Amount Generated all Institutions		$6,459,000	
Total Tuition as % of 1986-87 Formula Expenditures		20.00%	
1986-87 Tuition Base		$24,933,635	
1986-87 Formula Expenditure Base		$156,964,966	
Regional Institutions:			
Semester Rates:			
Resident Part-time	$21.00	$24.50	16.67%
Resident Full-time	$252.00	$294.00	16.67%
Non-resident Part-time	$112.00	$130.75	16.74%
Non-resident Full-time	$1,344.00	$1,569.00	16.74%
Academic year Rates:			
Resident Full-time	$504.00	$588.00	
Non-resident Full-time	$2,688.00	$3,138.00	
Amount Increase / Academic Year			
Resident Full-time		$84.00	
Non-resident Full-time		$450.00	
Additional Amount Generated all Institutions		$877,000	
Total Tuition as % of 1986-87 Formula Expenditures		18.00%	
1986-87 Tuition Base		$5,252,310	
1986-87 Formula Expenditure Base		$34,052,816	

TABLE III

Tuition and Fees Ranked By State
Academic Year Undergraduate Resident Tuition and Fees

Rank	State	Tuition and Fees	Rank	State	Tuition and Fees
1	Texas	$655	27	South Dakota	$1,432
2	Wyoming	$721	28	Missouri	$1,457
3	Florida#	$775	29	New York	$1,472
4	North Carolin	$794	30	Oregon	$1,487
5	Oklahoma	$858	31	Maryland	$1,496
6	Hawaii	$910	32	Nebraska	$1,513
7	** NMIMT **	$912	33	Mississippi	$1,517
8	Arkansas	$930	34	Maine	$1,550
9	Arizona	$990	35	Georgia	$1,554
10	Idaho	$1,010	36	WASHINGTON	$1,605
11	** UNM **	$1,020	37	South Carolin	$1,608
12	** NMSU **	$1,026	38	Colorado	$1,617
13	Montana	$1,059	39	Indiana	$1,660
14	Nevada	$1,080	40	Ohio	$1,704
15	Alaska	$1,092	41	Connecticut	$1,801
16	Tennessee	$1,092	42	Massachusetts	$1,955
17	West Virginia	$1,160	43	Rhode Island	$1,960
18	North Dakota	$1,167	44	Illinois	$1,967
19	Kentucky	$1,228	45	Virginia	$2,036
20	Kansas	$1,230	46	Delaware	$2,100
21	Alabama	$1,254	47	Minnesota	$2,109
22	Louisiana	$1,274	48	New Jersey	$2,155
23	Iowa	$1,304	49	Michigan#	$2,359
24	Utah	$1,335	50	New Hampshire	$2,500
25	California	$1,346	51	Pennsylvania	$2,760
26	Wisconsin	$1,390	52	Vermont	$2,948

Source: "Tuition and Fees - A National Comparison" Dec. 1985
Washington State Council for Postsecondary Education
NOTE: Tuition and fee rates for New Mexioc institutions are 1986-87 rates. All other states are 1985-86 rates.

TABLE IV

Faculty Compensation Comparison

Projected 1986–87 Compensation Levels

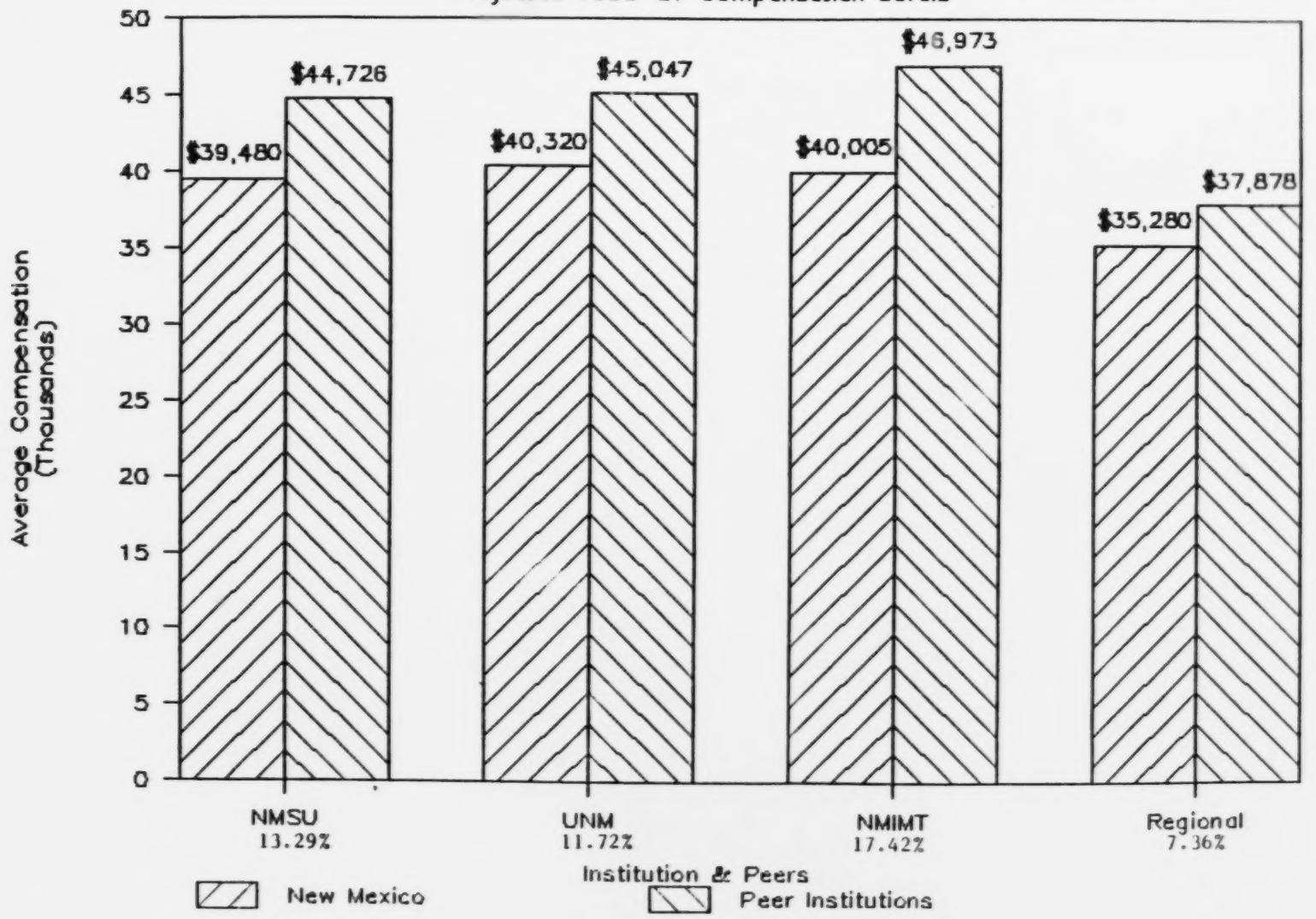

TABLE V

OTHER COSTS VS. CPI & HEPI

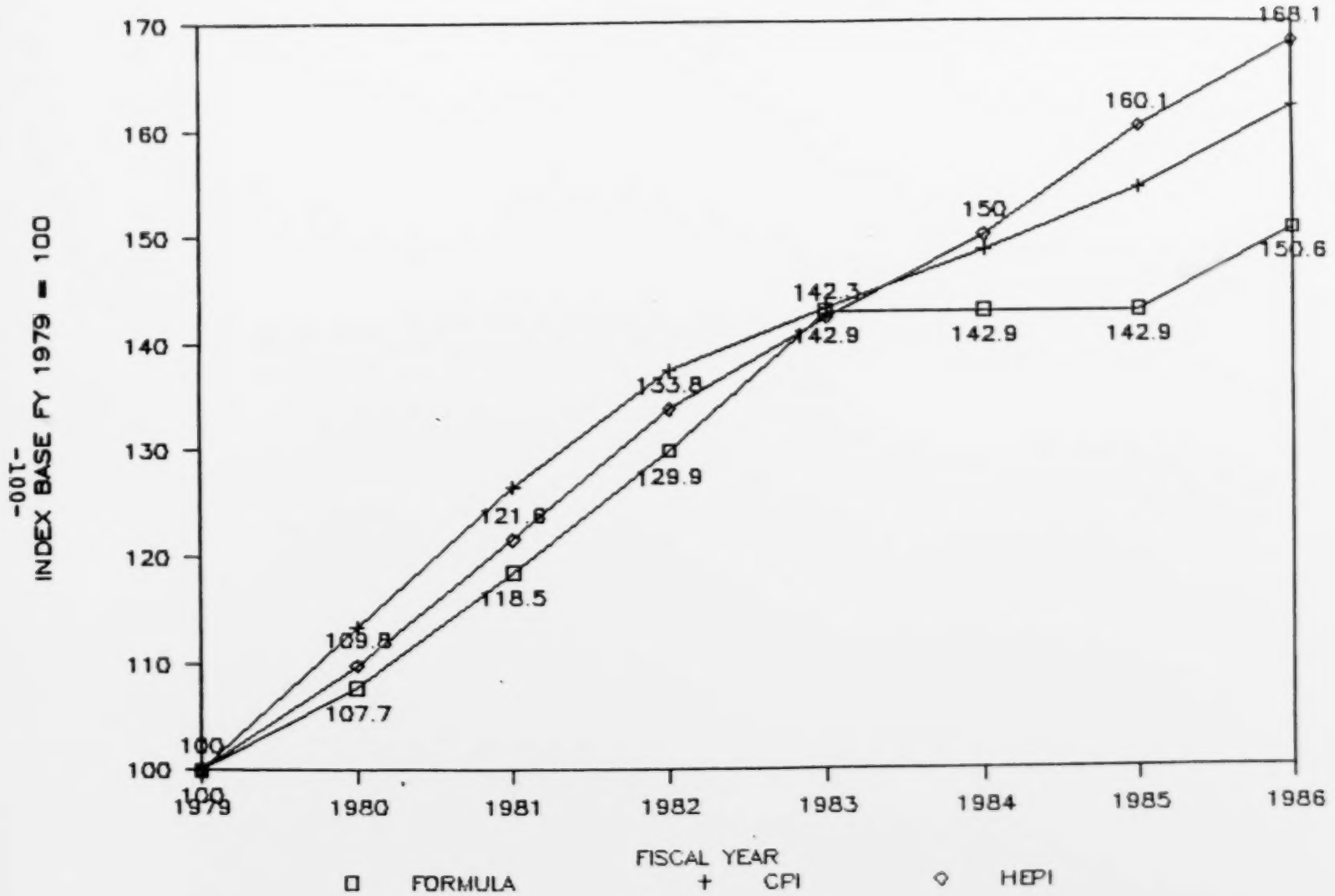

TABLE VI

Elimination of Remedial Education at Four-year Institutions

	Amount (1)	Total Amount
University of New Mexico	$1,415,300	
New Mexico State University	$818,800	
Eastern New Mexico University	$170,500	
Total		$2,405,000

Footnote: 1) Amounts based on 1985-86 formula calculations.

TABLE VII

Elimination of Graduate Level Instruction
Except Graduate Education Programs
Regional Institution

	Amount (1)	Total Amount
Eastern New Mexico University:		
Total Graduate Level 1985-86	$1,033,100	
Graduate Education	($260,300)	
Sub-Total	$772,800	
New Mexico Highlands University:		
Total Graduate Level 1985-86	$1,267,200	
Graduate Education	($402,800)	
Sub-Total	$864,400	
Western New Mexico University:		
Total Graduate Level 1985-86	$327,200	
Graduate Education	($163,200)	
Sub-Total	$164,000	
Grand Total		$1,801,200

Footnote: 1) Amounts based on 1985-86 formula calculations.

TABLE VIII

Governor's Higher Education Reform Task Force
Reduction and Redistribution of General Fund Appropriation

	Total Amount (1)	<----Fiscal Year------> 1987-88	1988-89
Reductions Resulting From:			
- Elimination of Graduate Level Instruction With the Exception of Graduate Education Programs at Regional Institutions	$1,800,000	$900,000	$900,000
- State Wide Mill Levy at 4 Mill	14,109,000		14,109,000
- Fix Tuition at % of Formula Instruction & General	7,336,000	7,336,000	
- Eliminate Remedial Education at Four-year Institutions	2,405,000	2,405,000	
Total Available for Redistribution	$25,650,000	$10,641,000	$15,009,000
Redistribution to :			
- Undergraduate Level Programs at Regional Institutions			
a. Faculty Compensation (4%)	$900,000	$450,000	$450,000
b. General Program Enhancement (Other Costs 9%)	900,000	450,000	450,000
- Increase Funding at Two-year Institutions for			
- Increased Costs of Independence	1,700,000		1,700,000
- Increase In Student Financial Aid Programs	3,750,000	3,750,000	
- Special Funds for Two-year Institutions			
Remedial Education	1,652,000	1,652,000	
Emergency Economic Development Training Fund	500,000	500,000	
- Research Institutions Faculty Compensation Increase			
a. Faculty Compensation (4%)	5,712,000	2,856,000	2,856,000
b. General Program Enhancement (Other Costs 9%)	4,536,000	2,268,000	2,268,000
- Instructional Enhancements:			
Library Acquisitions	2,000,000	1,000,000	1,000,000
Computer Acquisitions	1,000,000	500,000	500,000
Equipment Maintenance	1,000,000	500,000	500,000
- Program Quality Enhancement Fund	2,000,000	1,000,000	1,000,000
Total Reallocated	$25,650,000	$14,926,000	$10,724,000
Additional General Fund Required to Fund Recommendations	$0	$4,285,000	($4,285,000)

APPENDIX

SUMMARY OF TESTIMONY TO THE GOVERNOR'S HIGHER EDUCATION REFORM TASK FORCE

April 28, 1986

Bob Jancar, Plant Manager for Ethicon, Inc., 1986 President, Greater Albuquerque Chamber of Commerce.

1. Continued advocacy of a blue ribbon commission to study and make recommendations for change in our education system.

The following are statements made that Mr. Jancar characterized as recommendations.

2. New Mexico can only afford one or two first-rate universities. Proliferation of branch colleges drain resources away from major universities.

3. Evening course offerings at UNM are poor. Not enough business courses or graduate engineering courses offered at night.

4. General feeling among manufacturers that UNM doesn't do a good job of consulting with them about course offerings and programs that are compatible with the needs of the business manufacturing community.

5. General concern that UNM appears to have to defend its existence each year before the Legislature.

   Manufacturers perceive an adversarial relationship between the Legislature from two possible sources; the Legislature may not understand the importance of quality universities to our state, or the Legislature is skeptical of funding requests from UNM based on its past performance.

6. Explore the possibilities of increasing tuition and earmarking the revenues raised for faculty salaries in the business and engineering disciplines.

Aims C. McGuinness, Jr., Assistant Executive Director for Higher Education, Education Commission of the States.

Mr. McGuinness's testimony is summarized as <u>issues</u> and <u>recommendations</u> (what he referred to as suggestions for the task force).

<u>Issues for consideration</u>:

1. The relationship of higher education to the state's economy;

2. The connection between higher education and the quality of public schools;

3. Toncerns that the higher education system may be overextended (limited public resources spread over too many institutions, with too little attention paid to quality and unique institutions);

4. Actual or potential duplication of high-cost graduate and professional programs;

5. Visible conflict between the aspirations of two institutions, located in one geographic area;

6. Legislative reaction to intense institutional lobbying;

7. Proposals to close, merge or change the missions of isolated, small institutions;

8. Concerns about the need for improved coordination among the many institutions offering one- and two-year vocational, technical or occupational programs;

9. Concerns about the efficiency of the state coordinating or governing agency.

Suggestions for the Task Force (McGuinness)

1. Take an "all one system" approach. (Issues of higher education are inextricably tied to elementary and secondary education.)

2. Take a comprehensive view of how the system of finance affects the higher education system.

3. Focus on a limited number of issues.

4. Distinguish between issues that can be addressed immediately and those which will require attention over time.

5. Distinguish between "system" issues and "institutional" issues.

6. Recognize the importance of stable, effective institutional governance.

7. Raise the level of the state's aspirations for excellence.

Jerry Apodaca, Chairman, University of New Mexico Board of Regents.

1. As money for our universities can come from only three areas (legislative process and gubernatorial support; tuition

and fees from students; and private contributions), creative financing must be explored.

2. Each institution should be allowed to devise means of raising revenue and not be limited in the legislative process because of that effort.

3. The funding formula should be continuously reviewed so it is clear that it is meeting present day needs and is not outdated.

4. An institution's ability to raise separate revenues and funds, should not penalize that institution in the distribution of state funds.

5. Universities should be allowed to address many of their own financial issues without having always to seek state approval.

6. We must work to address the problem of the cost of higher education on families.

7. Each university is going to have to raise tuition and fees.

8. We must explore measures that would help relieve the financial burden for higher education on some families.

9. We must find ways to inform and alert families early on about the future, and the reality of college costs. Through public information we must find ways to inform families about how to prepare (concerning: costs) for acquiring a college degree.

10. The state should find ways to increase student financial aid. A <u>loan</u> program should be considered, a program that would replenish itself over time.

Dr. Marsha Drennon, Executive Director, New Mexico Association of Independent Colleges and Universities.

1. The state must offer adequate financial assistance to all students who demonstrate need regardless of whether the student wishes to attend a public or private institution.

2. Consortium arrangements between the private and public institutions must be supported by the state to fully utilize facilities and programs currently available at private institutions and funded from non-public sources.

3. Most importantly, the state should promote and advance the interests of higher education in New Mexico as represented by both the publicly-supported and the independent colleges and universities.

4. The state should support the pluralistic and plural nature of the higher education system as it seeks to provide students with freedom of choice while meeting their educational and cultural needs.

Alan Morgan, State Superintendent of Public Instruction.

1. The Legislature and governor should monitor and encourage cooperation between the various constitutional and statutory partners, i.e., the Commission on Higher Education, the boards of regents and the State Board of Education. Cooperation should include jointly identifying core subject area competencies and skills for college-bound students thus reducing the need for development education programs. Recommendation includes an expectation that the system of two-year institutions assume an expanded role in providing developmental programs.

2. The criteria for placement in remedial/developmental programs should be consistent across New Mexico. The present variations provide a misrepresentation to the public as to true need for such special assistance.

3. The network of two-year institutions in the state represents the single most important, and perhaps most underutilized, vehicle for addressing the economic development needs of New Mexico.

4. Each two-year institution should have a community-wide governing board, at least some community-based funding, strong ties with neighboring businesses and industries, and a commitment to continuing community and adult education.

5. Special tax credits should be given to businesses if they provide institutions with state-of-the-art equipment for training purposes.

6. It may not be feasible to entirely eliminate existing institutions of higher education.

7. It is feasible and necessary to eliminate the variety of duplicative programs that exist in New Mexico.

8. A specific charge should be made to the Commission on Higher Education, delineated by statute, to provide the Commission with sufficient authority to streamline program offerings, with the ultimate objective fewer, but better, opportunities for higher education in New Mexico.

9. The funding structure for New Mexico's system of higher education needs revision. The present student-driven formula may need to be replaced with a program-based model.

10. Fund off-campus instruction at a similar level to on-campus courses.

Roger J. Vaughan

Mr. Vaughan offered six guidelines for achieving excellence in education.

1. It cannot be purchased by increased expenditures.

2. It requires continual experimentation which will involve failures as well as successes. The state must resist the temptation to continue to support programs and institutions that perform badly.

3. Excellence must be rewarded. From faculty salaries to research grants, funds should flow not merely based on the number of students or on geographic considerations, but to programs that perform well.

4. The state should measure performance (of programs) based on how well students perform when they go on to higher education levels or in the job market.

5. Performance data should be used to allocate a part of the funds of all programs including vocational education, universities research, etc.

6. The state should resist requests to base funding on "costs" because this removes any incentive to reduce costs.

7. The performance data should be widely available so that potential enrollees can make informed choices.

Marty Esquivel, Director, Associated Students of New Mexico.

1. There remains a need for accessibility to our institutions. This must be an overriding concern for all from state leaders to citizens to students.

2. Tuition increases must be dealt with more responsibly. The Five-by-Five Plan (ASUNM) should be considered. (A plan by which a 25 percent tuition increase would be spread over five years.)

3. The Task Force should examine how to stabilize the cost of a university education in fairness to students who are supported by parents.

4. Tuition increases should not be linked to faculty salary increases.

Luna Vocational-Technical Institute (LVTI).

(From an unsigned position paper.)

1. LVTI should be permitted to offer associate degrees, as a more highly recognized credential than a certificate.

Ron Tafoya, Albuquerque Hispano Chamber of Commerce.

1. Higher education should have as its mission to develop a structure that will be responsive to the entire community -- its needs for excellence in education and professional growth opportunities for its citizens.

The Education Committee of the Albuquerque Hispano Chamber of Commerce supports:

2. An open enrollment policy;

3. A strong, effective action policy;

4. A strong multi-cultural policy statement as part of the mission state of the institution;

5. A focus on school-based classroom instruction with actual experience at a school site with at least two different socio-economic settings;

6. A continuation and expansion of the UNM Graduate Intern and Clinical Supervisor Program with increased participation of minorities in the selection;

7. Provision for increases in research and study programs that promote the teacher/educator profession and provide opportunities for professional growth and teacher retention, e.g.,Title VII Teacher Training and Development Project; and

8. The continuation and expansion of the Latin American Program, e.g., the UNM project.

Recommendation:

9. A locally-based instrument should be established that addresses the higher standards for prospective teachers, but limits subtle questions that could be culturally biased to certain groups.

Captain Victor A. Moitoret, USN (WNMU).

1. Make anyone who talks about what is happening to enrollment show you the figures he or she is using and insist that they be plotted out year by year to show some valid trends that eliminate deceptive hills and valleys.

2. I don't think the Task Force or the Legislature needs to do very much to "reform" Western New Mexico University.

3. WNMU should not be cut back to a two-year school.

4. The Task Force and institutions should be sensitive to raising academic standards and entrance requirements by an amount that will translate such action into racial discrimination.

5. Quotation from an unidentified gubernatorial candidate: "Our state government must stop looking at higher education as an expense and start treating it as the investment it can be."

David T. Bailey, Senior Vice-President, BDM Corporation.

1. The collaborative effort between education and industry should include participation in guest lecturer exchanges, and adjunct professorships.

2. Seat business leaders on dissertation and other student advisory committees.

3. Open the way for students to receive direct guidance from those who are working on a daily basis in their fields of interest.

4. Business and industry should serve in a advisory role with regard to the structuring of coursework.

5. More careful attention should be given to establishing solid work co-op arrangements which allow students to spend an equal amount of time in the classroom and in the workplace.

6. Research and development partnerships can and should occur between smaller educational institutions and smaller business firms.

7. Draw upon the technology transfer model to develop marketing and managerial skills in centers of marketing and managerial excellence at postsecondary institutions.

Dr. Michael L. Conniff, President, New Mexico Association of Higher Education Faculty.

1. State leaders must remember that quality and breadth in the liberal arts, humanities, and cultural areas are essential to balanced development as are the technical disciplines.

2. If budget cuts are necessary in the next several years, salaries and support for classroom teaching should be protected; cuts should be based on a program by program review that assesses academic quality and contribution to each school's mission. Across-the-board cuts bleed schools to death.

3. Elected faculty organizations should be centrally engaged in a continuous process of defining each school's mission, reviewing programs, and evaluating faculty and administrators.

4. Faculty tenure should be protected.

5. The association is concerned about an influx of substandard and academic programs in the state.

6. Proposals to convert university branches into community colleges needs extensive case-by-case investigation and consultation with faculty and local leaders.

7. A system of portable tuition waivers should be created to encourage faculty at regional universities to take graduate courses at the doctorate granting institutions.

8. Salaries near the national average must be offered to attract and keep good faculty.

9. The Governor should create screening committees to solicit nominations and recommend appointees to boards of regents.

10. The Commission of Higher Education (CHE) should hold harmless when they cut weak or duplicative programs, and should deemphasize enrollment in the funding formula.

11. The (funding) formula should give prime consideration to the core fixed costs of essential programs.

Dr. Laurence Lattman, President, New Mexico Institute of Mining and Technology.

1. There should not be a "superboard of regents." Support should remain for the continuation of the constitutional authority of the various boards of regents to manage their institutions.

2. Ongoing studies by the CHE staff and the institutions should continue to refund and improve the funding formula.

3. Improvement of undergraduate instruction should be a primary goal of the institution.

4. Support should be offered regarding the phase-down of remedial education in the universities, and a core curriculum for college-bound students.

5. Support for institutional autonomy for admission standards must be maintained.

6. Each board of regents, acting in the context of institutional mission, societal need and student demand, should decide in matters of addition, deletion, and revision of academic and other programs.

   Each institution should include within its mission the task of economic development, and act with the private sector to encourage economic growth.

7. A larger share of additional costs for growth in branch college programs should be assumed by the communities in which branches are located.

8. The public, and public officials, should be reminded that participation in higher education conveys a number of benefits to the individual and to society.

9. Proposals for reform of postsecondary education in New Mexico should promote participation, not hinder it.

10. He said statements by critics of state government that public higher education institutions in New Mexico are overstaffed are misleading.

Barbara Hobson, New Mexico American Indian Higher Education Committee, **Regis Pecos**, Deputy Director, Office of Indian Affairs.

1. It is recommended that any reorganization of programs and policies to be considered and adopted not overlook the needs and problems of the Indian community.

2. We remain dedicated to the proposition that all the citizens of the state should have the same opportunity to receive a quality education.

3. It is recommended that a one-week summer orientation program for all Native American students be established to address basic skills, study skills and college adjustment.

4. It is recommended that Native American Student Service Centers be established and adequately funded to provide academic support necessary to increase American Indian students' chances of success.

5. It is recommended that 100 merit scholarships, at an average cost of $2,000 each, be established for Indian undergraduate education, and that 70 Native American graduate fellowships, at an average cost of $6,000, also be established.

6. Each university and college student financial aid office should designate a staff member to handle scholarships for Native American students and to assist tribal scholarship programs.

7. Undergraduate curricula should be established to allow Native American students to specialize in and pursue topics pertinent to tribal community development.

8. It is recommended that research and development funds be provided in support of Native American studies, and that university incentive funds for the purpose of recruiting, hiring or retaining exceptionally qualified Native Americans for research and/or tenure-track faculty positions also be provided.

9. It is recommended that permanent sites be designated on university campuses for coordinating Indian academic and research activities, maintaining specialized collections, support of faculty and student research, and providing technical support to tribal communities, and that a data base on Indian students for academic tracking and career counseling also be established.

10. It is recommended that basic skills courses be developed and required for Native American students in high risk categories, based on low ACT scores and poor academic performance.

11. It is recommended that a fund to support a statewide information network of Native American organizations and offices that deal with academic and research concerns be established.

Lloyd Hughes and Samuel Adelo introduced the two-year schools report.